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• In the Record •

Group Life Insurance for More People

iologists often have termed the United States a "future-ed culture," in contrast to certain other countries they label "past oriented" or "present oriented."

st of us, without the sociological lingo, are aware of nportance to the average individual of planning ahead, nking of tomorrow. Probably the growth of life insur- (which is one kind of planning for the future) is an ple of this. And group life insurance, where a company insurance available to employees at a minimum rate, some instances even pays the whole amount, has been f the greatest areas of growth.

rting on the next page, "More Group Life Insurance" ys sixty-nine companies' plans and analyzes them. findings, although not strictly comparable to the 's 1949 survey, do give a general indication of the toward more group life insurance for more people.

• • •

g a Rating System

ere are probably as many ways of rating employees as are kinds of employees to rate. And then, too, there uite a number of ways to follow up merit rating, all ding, of course, on management's objectives. Some anies just sit back and never do anything about an tanding" or a "poor" employee. Other companies use ratings to their own advantage by advancing the best e and weeding out the misfits.

erit Rating—Plus" examines the Field Review Meth- rating employees used by the Gimbel Brothers depart- store in New York. Gimbel's method is thorough, sys- ic and objective in approach. Individuals and depart- are reviewed periodically by skilled raters. For more, ge 322.

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Older Worker

at should be done about the older worker in industry? hat age should he be retired and how should this be nined? How much money does the retiree need to live fortable life and what kind of pension set-up will best his keeping economically abreast of the times? Then are the personal problems of health and happiness. Can the retired worker feel happy and useful when he has no work to turn to? Should he have a postretirement job?

These are only a few of the host of questions that arise whenever the subject of retirement is brought up. In this month's Round Table discussion, experts in the fields of health, pensions and gerontology focus their attention on the problems of the older man in industry. They discuss our present attitude toward retirement and make some recommendations for the future. See "Retirement and Its Problems," starting on page 325.

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Introducing the Doctor to Industry

Most any family doctor can tell you quite a bit about the general background and social life of his patients. But the chances are that he couldn't tell you nearly so much about one third of his patient's life—that important third spent every day at his job site in earning a living.

Recently, in order to fill in this gap in the general practitioner's view of his patient, a movement has been spearheaded to get the physician into industry so that he may observe and learn. "Industrial Medicine for the Family Doctor" tells about the progress being made in "industrializing" the family doctor by a joint committee on education sponsored by two medical groups and assisted by two other such groups. The movement extends from top professional channels down to local committees of the American Academy of General Practice. Concrete examples of what some companies are doing to introduce the doctor to industry are given in the story on page 329.

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What Goes Up Doesn't Come Down

The stock market may go down and the other business barometers may presage a downturn but the "cost of living" seems to stay up. The Board's latest reading was taken in mid-July and it showed that consumers' prices were only slightly below the August, 1952, record. Fragmentary data for the period since then hold out little hope for any substantial decline. Whether large 1953 crops will pull food prices down appears doubtful at the moment, particularly in view of the recent hot spell. The details on the consumers' price index plus latest labor statistics starts on page 335.

More Group Life Insurance

Analysis of the group life insurance plans of sixty-nine companies points up the trend to greater coverage for more people

MORE GROUP LIFE INSURANCE for more people. This is the nationwide situation in 1953, as compared with 1949, when The Conference Board's last sizeable survey of group life insurance was undertaken. In that year, 16,971,000 employees were covered by $39,925,600,000 worth of group life insurance; as of December 31, 1952, 22,873,000 employees were insured under group life insurance plans in a total amount of $62,592,700,000.[1]

The trend toward more group life insurance is also seen when the details of current plans are compared with those the Board surveyed in 1949. Some of the differences in the findings of the two surveys may, it is true, be due to the difference in size between the two samplings. A total of 261 corporations cooperated in the study made in 1949.[2] The present report is based on an analysis of the life insurance plans of sixty-nine companies.

ABOUT THE COMPANIES

Sixty of the corporations in this survey are manufacturing companies. Eleven of these are in the field of chemicals and drugs; ten manufacture metal products. Nine are machinery companies and eight are in the petroleum industry. Eleven other industrial classifications are also included.

Three of the nine nonmanufacturing corporations are public utilities and two are mercantile companies. The transportation, hotel, insurance, and publishing fields are represented by one company each.

Classified by total number of employees, the sixty-nine companies break down in this way:

Number of Employees	*Number of Companies*
250-1,000	8
1,000-5,000	14
5,000-10,000	11
10,000-25,000	13
25,000-50,000	11
50,000-100,000	6
Over 100,000	3
Data not available	3
Total Companies	69

Most of the data for this article come from company booklets which contain explanations of the plans. Certain important information not included in tl booklets was secured by writing directly to officia of the cooperating companies.

All but two of the sixty-nine companies provi only term insurance, which has no cash-surrender paid-up values, and terminates when the employ leaves the company's service. Under the other tw plans, which provide a combination of term ar paid-up insurance, the employee's contributions a used to buy the paid-up insurance, and the compar pays for the term insurance. Under one of these plan however, the employee does not begin to buy paid-u insurance until ten years before his normal retireme date.

Over two thirds of the sixty-nine plans have tl same schedule of insurance for all employees. Si teen companies have established different schedul for hourly and salaried employees (a few of the make the distinction on the basis of "exempt ar nonexempt" rather than "hourly and salaried" Only four of the corporations offer less insurance women employees than to men. However, the en ployee's sex is not the sole factor in determining tl amount of group insurance under these plans, sin all four of them graduate their benefits on the bas of compensation.

CONTRIBUTORY AND NONCONTRIBUTORY PLAN

Only twelve of the sixty-nine companies pay tl whole cost of the insurance for wage earners and on eleven foot the bill for salaried employees. Abo the same number of companies pay for the first $1,0 or $2,000 of life insurance and require employee co tributions for the balance. (Only three of these pla require the employee to participate in the contrib tory plan in order to receive the free insurance.) few of the companies have devised other metho of combining contributory and noncontributory i surance for their employees. Three fifths of the plan however, have no noncontributory features.

The employee's monthly contribution to the li insurance is usually 50 cents or 60 cents per $1,00 and the company pays whatever is needed to ma up the total. Most insurance booklets tell the en ployee that the company is paying part of the co of his insurance but they seldom say just how muc The companies feel that it is difficult and impracti

[1] Compiled by the Life Insurance Association of America.

[2] "Company Group Insurance Plans," *Studies in Personnel Policy*, No. 112.

ble to do so because of the great number of factors which influence the cost of group insurance from year to year. This difficulty is increased when the life insurance is only one part of a package insurance plan.

Nevertheless, the relationship between employee and company contributions to the cost of group insurance is of considerable interest, and THE CONFERENCE BOARD therefore put the following question to each company included in the survey:

- "What proportion of the group life insurance premium is paid by your company, after deduction of dividend payments?"

Forty of the companies that require employee contributions responded to the inquiry. Many of them added that the whole question of insurance cost is so complex that the figure is only a close approximation. Table 1, which shows the percentage of premium paid by these forty companies, is presented with that qualification. As is seen from the table, the proportion of premium paid by companies varies so widely that it would be difficult to draw any general conclusions from these data.

LIFE INSURANCE FOR WAGE EARNERS

One of the most striking developments found in this survey is the current trend toward graduated rather than uniform benefits. Only eight of the sixty-nine plans provide a flat-sum benefit for wage earners. This situation contrasts sharply with what the Board found in 1949, when about half of the plans surveyed provided flat-sum benefits, and in 1945, when nearly three fourths of the companies had this type of insurance plan for wage earners.

Of the sixty-one plans in the current survey that have graduated benefits for wage earners, fifty-three provide amounts of insurance based on the employee's compensation. Two plans base benefits on length of service, and six plans use a variety of factors to determine the amount of insurance.

The benefits provided under the fifty-three plans which base the amount of insurance on compensation can be compared by setting up an arbitrary wage scale and determining how much life insurance the worker at each wage level is entitled to under the various plans. This is shown in Table 2, as well as the amounts provided under the eight uniform-benefit plans.

When the range in amounts of insurance shown in Table 2 is compared with the 1949 survey, not much difference is revealed. In 1949, the minimum amount of life insurance was $500, available at a wage rate of $1,040 a year; and the maximum amount was $12,000, provided at the $5,200 level. In the current survey, the range is from $800 at the $1,040 wage rate to $14,000 at the $5,200 level.

However, when the amount of life insurance available to the median group at each of the earnings levels is compared to that found in the 1949 survey, a slight rise may be noted. In the 1949 survey, the median group in most cases was entitled to group life insurance equal to approximately one year's, and in no case more than one and one quarter years', compensation. Among the current plans, insurance equal to one and one half or one and one third years' earning is available for the median group at most earnings levels, and in no case is it less than one year's earnings. Table 3 shows how the amounts of life insurance for wage earners in the median group have risen in the past few years, according to analyses made by THE CONFERENCE BOARD in 1945, 1949 and 1953.

Table 1: Percentage of Insurance Premium Paid by Company Under Contributory Plans

Percentage of Premium Paid by Company	Number of Companies
Percentage of life insurance premium	
None	4
None, except for 100% of first $1,000 or $2,000	3
15%	2
17%	1
24.5%	1
25.5%	1
35%	2
38%	1
40%	2
43.5%	1
46% for $1,000–$6,000 classes; 64% for $500 class	1
50%	6
51%	1
54%	1
55%	1
Varied from 51% to 59% over last five years	1
60%	2
62.5%	1
70% for basic insurance; none for supplemental insurance	1
80%	1
Percentage of premium for package plan	
19%; 100% for supplemental insurance for high-paid salaried employees	1
45%	1
50%	3
66 2/3%	1
Total companies replying	40

LIFE INSURANCE FOR SALARIED EMPLOYEES

All of the sixty-nine companies provide graduated death benefits for their salaried employees. In the great majority of cases, the benefits are based either on compensation alone (fifty-six plans) or on a variety of factors of which compensation is one. Only one plan bases insurance on length of service, and only two plans base the amount on the salaried employee's rank. In ten plans the factors of length of service, rank, and marital and dependency status are combined with earnings to form a basis for determin-

ing the amount of life insurance. Because of the difficulty of showing these data in tabular form, only plans which base the amount of insurance on compensation alone are shown in Table 4. A few such plans, however, have been eliminated from the table because the booklets apparently do not show the insurance schedule for higher-paid salaried employees. Table 4 is arranged in the same way as the wage earners' table—that is, an arbitrary annual salary scale running from $3,000 to $20,000 has been set up and the plans have been analyzed to determine how much life insurance the employee is entitled to at each level in the cooperating companies.

The amount of life insurance for salaried employees shows a much sharper rise since 1949 than does wage earners' insurance. The Board's 1949 survey found that the insurance available to employees in the median group at each salary level was equal to one year's compensation until the $10,000 level was reached. Thereafter it remained at $10,000, even for employees earning as high as $20,000 per year. In the current survey, employees in the median group of all salary levels have life insurance equal to at least one year's salary. At the $3,000 and $5,000 levels the insurance is equivalent to one and one h years' salary for the median group; it declines ther after to one year's salary at the $20,000 level.

MAXIMUM AMOUNTS OF LIFE INSURANCE

Even more notable has been the increase in t maximum amount of group life insurance availab to the highest-paid executives. In 1949, the Boa found only eight plans out of 195 that provid

Table 3: Comparison of Amount of Life Insurance for Wage Earners in Median Group, 1945, 1949 and 1953

Earnings Level	Amount of Insurance in Median Grou		
	1953 Survey	1949 Survey	1945 Surv
$1,040 year, $20 week	$1,600	$1,000	$1,000
1,300 year, 25 week	2,000	1,500	1,000
1,820 year, 35 week	2,000	2,000	2,000
2,080 year, 40 week	2,500	2,000	2,000
2,600 year, 50 week	3,250	3,000	2,500
3,120 year, 60 week	4,200	3,000	3,000
3,900 year, 75 week	5,000	4,000	3,000
5,200 year, 100 week	7,700	5,000	a
5,980 year, 115 week	7,700	a	a

a Not available.

Table 2: Amount of Life Insurance for Male Wage Earners

Median figures shown in bold face

Amount of Insurance	Number of Plans										
	Uniform Amount	Employee's Compensation									
		$20 week $1,040 year	$25 week $1,300 year	$30 week $1,560 year	$35 week $1,820 year	$40 week $2,080 year	$50 week $2,600 year	$60 week, $3,120 year	$75 week $3,900 year	$100 week $5,200 year	$115 w $5,98 year
$800		1									
1,000	2	6	5	2	2						
1,200 under 1,350		3	2								
1,500	1	16	13	5	5						
1,600		**1**	2								
1,750				2	2						
1,800			2	3	3	1					
1,900				1							
2,000	3	13	**14**	**17**	**18**	12	3	1	1	1	1
2,250 under 2,500		2	2	4	3	6	2				
2,500		2	3	7	7	**9**	2				
2,700 under 2,800					1		2				
3,000	2	7	8	4	4	10	16	8	1		
3,150 under 3,350		1	1			1	**2**	2			
3,500 under 3,800				1	1	3	6	5	5	1	1
4,000		1	1	6	6	3	7	10	12	1	1
4,050 under 4,500				1	1		1	**3**		1	1
4,500							3	6	3		
4,700 under 4,900						1		1	1		
5,000						7	2	6	**10**	6	5
5,250 under 5,450							1		1	1	
5,500 under 6,000								2	3	4	2
6,000							6	1	6	5	8
6,250 under 6,750								1			
7,000 under 7,500								7	1	2	
7,500 under 8,000									1	**13**	**12**
8,000 under 8,550									7	5	5
9,000									1	2	4
10,000										2	3
10,500 under 12,000										4	2
12,000										4	7
14,000										1	1
Total plans	8	53	53	53	53	53	53	53	53	53	53

Table 4: Amount of Life Insurance for Male Salaried Employees

Median figures shown in bold face

Amount of roup Life Insurance	Number of Plans by Annual Salary Levels $3,000	$5,000	$7,500	$10,000	12,500	$15,000	$17,500	$20,000
000	1							
000 under 3,500	9							
500 under 4,000	5							
000 under 4,500	13							
500 under 5,000	6	1						
000	3	4						
500	1	4	1	1	1	1	1	1
000 under 6,300	3	10	1					
000 under 7,500	5	4	1					
500		9	4					
000 under 8,500		4	9					
500	1	1	1					
000 under 9,300			1					
),000 under 10,550		3	8	10	4	4	4	4
1,000 under 11,500		4	1	7	1	1	1	1
1,500 under 12,000			2					
2,000		2	2	2	1			
2,500		1	4	2	1			
3,000 under 13,500			1	1	7			
3,500			1		1			
4,000			1	1	1	1		
5,000				7	4	6	1	1
5,500 under 15,700			1	1		1		
6,000 under 16,500			7	4	4	5	2	1
6,500						1	1	
7,000							1	
7,500					1	1		
8,000					1	2	7	1
8,500 under 19,000					1		1	
9,000 under 19,500					1		1	1
9,500			1					
0,000				7	10	10	13	20
0,400 under 21,300						1		3
2,500						2		
3,600							1	
4,000				2	2	1		
5,000				1	2	3	2	1
6,000 under 29,000				1	3		3	1
0,000					1	4	2	4
2,000,						2	1	1
4,000							1	1
5,000								1
6,000							3	
0,000						1	1	4
4,000								1
Total plans	47	47	47	47	47	47	47	47

surance of more than $20,000; the highest amount, ailable under one plan, was $50,000. At that time nderwriting rules, state laws, and generally lower laries combined with company policies to prevent ie amount of group insurance for any one employee om exceeding $20,000, except in rather rare in- ances.

For some time, however, it has been apparent iat the plans of a considerable number of companies ere offering more than $20,000 of group life insur- ice to their executives. It seems equally apparent iat in many cases the insurance booklets distributed employees do not show the actual maximum avail- ble under the plan. Before making any statement bout insurance for high-paid executives under cur- ent plans, the Board asked the companies included in the survey to supply the following information, assuring each company that its name would not be revealed:

- "If the maximum amount of group life insurance available to any employee or class of employees is higher than stated in the booklet, what is the insurance schedule beyond that shown in the booklet?"

Only those companies have been included in Table 5 which either stated that their maximum is actually the same as that shown in the booklet or supplied the insurance schedule for top executives. It will be noted that twenty-three of the fifty-four companies replying to the query provide more than $20,000 life insurance.

(Continued on page 348)

Review Number (Deleted)

FIELD REVIEW REPORT

Department Number (Deleted) Name Men's Furnishings

Department Head (Deleted)

Review Made By F. H. S. Date March, 1953

Person Interviewed (Deleted)

* * * * * * * * * * * * *

1. Department Efficiency

(Deleted)

2. Personnel

Full Time Sales 21 Assistant Buyer 1
Part Time Sales 1
"700's"
"800's" 1
Full Time Stock
Part Time Stock
Clericals
Number over 60 Years

Is coverage adequate?		Floor	Stock
	Buyer's opinion	No	No
	Reviewer's opinion	Yes	No

Recommendation for Change:
Stock help is needed for special days

3. Supervisory Activities

Job descriptions used None
Employee training scheduled to training department None
Employee meeting:
When Saturdays
By whom Asst. Buyer
Subject matter:
Merchandise information ✓
System
Suggestions
Others New stock; promotions

Are Personnel Relation Reports written? Yes
Commendations? ✓
Disciplinary? ✓

4. Employee Performance

DEPARTMENT	No. Outstanding	No. Satisfactory	No. Unsatisfactory
	7	10	4

Per cent unsatisfactory in department 19%

5. Human Relations in Department a) Asst. Buyer - sales force relationship, v. good b) Morale - good c) Asst. Buyer is excellent trainer

6. Training Needs in Department

(Deleted)

7. Housekeeping good

8. Equipment Very good in general, but more stock room space is needed for special days

9. Situations Requiring Action

(Deleted – these items mentioned)

10. Department Efficiency (current month)

Department selling cost
This year 5.8
Last year 2.9

Percentage of return for month
This year 8.49
Last year 7.12

Percentage of gross margin
This year 35.96
Last year 32.69

(Deleted – three other ratios)

11. General Comments

This is one of the departments where the management is left almost entirely to the Assistant Buyer, and in this case it is well handled. The personnel problems in the department are at a minimum There is nothing in the department that cannot be handled through corrective interviewing by the Assistant Buyer.

(2nd and 3rd paragraphs not shown)

The Assistant Buyer complained that the delivery of mail and phone orders at or after 5 P.M. hampers customer service. Because of the late hour these orders reach the floor, it is impossible to fill them and get them out that day. He suggested that there be more frequent deliveries or at least an earlier delivery in the afternoon

There is a problem of protection brought by the Assistant Buyer. He feels more concentration should be made on the doors near the department. There is too great an opportunity to steal the merchandise so close to the exits. The writer feels that this condition will be alleviated with the new physical setup.

Otherphases of the department are well run and present a good organizational picture.

Sample field review report used by Gimbel Brothers

Confidential entries or entries that might reveal identifications are marked "deleted" in parentheses.

Merit Rating—Plus

IS NOT enough merely to say that a company
ıas a rating program or that it does not have one.
ating program may take one of many forms. It
be of limited scope and coverage, or it may be
lly developed program reaching into all parts
he organization. Also, it may serve important
pany functions, or it may be regarded as so much
eral by those involved.

rating program may begin and end with the
gs themselves. Once or twice a year the super-
r appraises each of his workers on a prepared
t and sends the completed form to the personnel
e, where it is filed with the individual's personal
rd folder.

ut a rating program may be more than this. It
include a review period, too. The review period,
wing the rating, gives the supervisor and the
ker an opportunity to talk things over. The man-
nents of many companies today take the position
the worker has a right to know how he is doing—
that it is a good thing all around to tell him.[1]

is news in rating circles when an organization
beyond both the evaluation and the review steps.
more than three years now, Gimbel Brothers in
York City (a department store) has rated its
loyees, has conducted review periods, and has
ined periodic checks on the management and effi-
cy of each of its departments.[2] This three-way
roach is operated by the store's personnel depart-
t. Gimbels refers to the Field Review Method
M) in identifying its over-all rating program. In
e respects its program is a modification of FRM
in others an extension.

WHAT FRM IS

he Field Review Method of employee appraisal,
ough twenty years old, is not well-known in
stry today.[3]

It may be explained here that FRM derives its name from the fact that a representative of the personnel department goes into the "field"—that is, he leaves his desk and goes to the work place of the supervisor to obtain information about the work of individual employees. He is equipped with a register of the persons who work in a given unit and with the name of their supervisor. He is also equipped with a definite list of questions, usually memorized in advance, which he will ask the supervisor about each employee.

The questions are asked and answered orally. The interview may be likened to an informal conversation. The personnel representative makes notes, or a secretary may be present for this purpose. No paper work is done by the supervisor. This is a feature of FRM which appeals to those supervisors who feel they already have too much paper work to do.

After the interviews have been completed, the personnel representative returns to his office and dictates his notes. The reports are sent to the supervisor, who revises them if necessary, and then signs them to indicate his approval.

OBTAINING THE EVALUATIONS

Three full-time workers and one half-time worker are able to carry the load of work involved in Gimbel's rating program. At the beginning, when the plan was new and the employees relatively unknown, a full year was needed to complete the field visits and the supplementary work. Now the rounds can be made in about nine months. The average worker, therefore, is "field-checked" four times every three years. All clerks, sales and stock personnel are included in these appraisals, making a present total of 3,500 individuals.

An over-all rating is obtained for each employee, with a three-way classification scheme followed. The supervisor rates the employee as *outstanding*, *satisfactory* or *unsatisfactory*. If the supervisor describes a particular worker as outstanding, the analyst (personnel representative) asks such questions as:

- Do you believe this worker would be outstanding on other jobs?
- Is he promotable?
- If so, to what type and level of jobs is he promotable?

our companies in ten surveyed rate their employees. Half the
anies with rating programs follow through with the review
d. See tables 9, 10, 128 and 129 in "Personnel Practices in
ry and Office," *Studies in Personnel Policy*, No. 88, National
strial Conference Board, 1948.

he ratings, made semiannually in February and August, are
e usual sort. Separate forms are used for sales, stock, and
al personnel. Instruction and training in making the ratings
in conducting the individual reviews are given every year.
has been described in a series of six comprehensive articles
uy W. Wadsworth, Jr. in the *Personnel Journal*, issues of June
ecember, 1948.

application of FRM in the rating of executives is contained
recent Conference Board report, "The Appraisal of Job Per-
ance," *Studies in Personnel Policy*, No. 121, 1951, p. 48.

Other questions are asked about workers who are rated satisfactory, such as:

- How could this person be helped to improve his performance?
- Is additional training indicated?
- If so, what kind of training is needed and when could this training be provided?

Should the worker be adjudged unsatisfactory, the analyst attempts to find out why and in what respects the quality of the work is low. Possible remedial programs are considered. But if the supervisor feels that the individual has been given a fair chance to improve and has failed to respond, a termination date usually is set without further ado. In certain instances, the employee is transferred to another work assignment (but not, of course, to one at a higher rate) in the store.

The analyst probes for supporting evidence, whatever the individual's rating may be. "What facts can you cite to support this rating?" is a question almost always asked. The supervisors, aware of this, have learned the advantages of keeping a running record of notes and comments on each of their workers. The analysts report that this procedure has trained the supervisors to make fairer, more accurate appraisals and to avoid the "halo" or "halitosis" extremes which have been noted so frequently in traditional ratings.

THE DEPARTMENTAL ANALYSIS

An important "plus" phase of the Gimbel plan, not usually thought of as a part of FRM, is the report which the analyst makes, department by department. It is called the "Field Review Report." Excerpts from a sample report are shown on page 322.

Two sections of this report require some explanation. Section 4 shows a summary of the ratings of the twenty-one employees in a certain department. These are the bare statistics which are derived from the discussions between the supervisor and the personnel representative about each of the workers. Management pays special attention to the figures in the outstanding and in the unsatisfactory columns.

The ratios in Section 10 will not mean much to the average reader. But three of the six that appear on the form are shown to suggest the kinds of information included in this report. Some will ask how a personnel man can rate the efficiency of an operating department of a store. Gimbel's answers: "Actually no person is doing this rating—the rating comes directly from the figures and from the resulting ratios. Our analysts simply collect, apply and report the figures and the ratios. The ratios are well understood and well accepted by our supervisors."

The analysts, it may be added, are selected for their work with extreme care. Two have been personnel directors of other companies. All have ha[d] supervisory experience, thus having gained the poi[nt] of view of the line worker. At Gimbels the analys[ts] are looked upon as persons who are trying to help th[e] supervisors with their problems. They are constantl[y] moving about the store, picking up good ideas an[d] passing them on to others who can make use of them. Although it may seem at times that they are exposin[g] department people to possible censure, the effect [is] usually just the opposite of this.[1]

When a situation which needs correcting is calle[d] to management's attention, there is a chance to g[et] action. The "Field Review Report" serves to brin[g] to light situations of all kinds, periodically and as [a] matter of routine. Without such a device, proble[m] areas tend to be ignored and remedial measur[es] delayed.

EVALUATING THE PLAN

As Gimbels looks back on three years of experienc[e] with its rating plan, it is well pleased. To other com[-]panies that have become interested in a similar pro[-]gram, Gimbels has stressed two essentials of [a] successful operation: highly competent personn[el] representatives (analysts) and strong line suppor[t,] including the full backing of top management.

In conclusion, there are three values that Gimbe[ls] believes are inherent in its Field Review Metho[d.] They may be described briefly.

- FRM results seem to support the theory tha[t] supervisors prefer an oral rating plan to a writte[n] one, and that more accurate and more complet[e] appraisals can be developed by the conversatio[nal] approach. Also, the reports get done on time an[d] no one is passed by.

- The several ratings that are made keep th[e] personnel department and management well a[c-]quainted at all times with the work of the ind[i-]vidual employee and with the work of eac[h] department in the store. FRM gets the analyst ou[t] on the floor where he can observe conditions a[t] first hand, whereas the usual rating plan is carrie[d] out by the supervisor working alone.

- The program is dynamic. In some rating plan[s] little or nothing happens after the appraisals hav[e] been made. At Gimbels, next steps are indicate[d.] Time schedules for changing the assignments o[f] individuals or for correcting a departmental situa[-]tion are established.

Stephen Habbe
Division of Personnel Administratio[n]

[1] The highly confidential nature of the information passed o[n] to management by the analyst can be guessed from various se[c-]tions of the report. Section 11, only parts of which could b[e] reproduced, is an example of this.

Retirement and Its Problems

Round Table conference on the problems of retire- and current trends in pension plans was held at the h meeting of the National Industrial Conference d in Cincinnati. James H. Taylor, Director of Industrial tions, Procter & Gamble Company, was chairman. speakers were:

- John W. McConnell, Professor, New York State School of Industrial and Labor Relations, Cornell University
- Henry W. Steinhaus, Research Assistant, Equitable Life Assurance Society of the United States
- Wilma Donahue, Chairman, Division of Gerontology, Institute for Human Adjustment, University of Michigan
- Robert A. Kehoe, M.D., The Kettering Laboratory, College of Medicine, Cincinnati

Present-Day Pension Plans*

by John W. McConnell

UCH HAS HAPPENED in pension planning since 1949. The number of plans, as well as the ber of individuals covered, has increased tredously. Reserves have grown, problems of invest- t have arisen, but many of the dire predictions erning private industry pension plans have not rialized.

is a good time to take stock of what has happened ree years of pension planning, what problems been solved in those years, what issues still re- and what new developments await us.

nave selected six aspects of pension planning and inistration for brief comment. They are: an esti- of the present magnitude of pension programs; possible directions of future growth; the impact of tion on benefit levels; the economic results of ion plans, particularly with respect to reserves and stment; the influence of pensions on retirement, the integration of public and private retirement ems. Obviously, not much time can be devoted to one of these topics, but I should like, in the Paul Bunyan fashion, to hit merely the high points and rush hurriedly over the whole.

First, an estimate of the magnitude of pension growth. The Bureau of Internal Revenue tabulations indicate that there are approximately 17,000 pension and deferred profit-sharing plans, with a coverage of around 10 million employees or a three-fold increase over the number included in pension plans in 1945. In addition to these formal and approved plans, there are probably several thousand informal plans, most of which are unwritten and discretionary. This type has not been approved under Section 165 (a) of the Internal Revenue Code. Under these unfunded, pay-as-you-go plans, benefit payments are taken as a current expense for income tax purposes.

There are unfunded plans among large and small establishments. Many are found in public utilities, machinery and power equipment manufacturing, on railroads, in the tobacco industry, in baking, and in retail groceries.

In 1952, approximately 500,000 pensioners received $450 million in benefit payments from private pension plans. This sum is exclusive of amounts paid out by insurance companies to individual annuity holders. Thus far, insured plans are paying out a larger total amount in benefits than the trust fund plans.

At the present time, persons receiving pensions constitute only 5% of the total number of persons covered by private plans. It is unlikely in the next decade that pensioners will number as much as 10% of all covered employees. The growth of the pensioners' group is likely to be very slow.

Most persons over sixty-five today do not have a pension. Persons of that age are of three types: (1) ex-employees who are under Social Security long enough to qualify for old-age insurance benefits, but who do not have the benefit of a private pension plan; (2) ex-employees not able to qualify for Old Age and Survivors' Insurance because of insufficient covered employment, including many city workers and self-employed, whose jobs were excluded from the Social Security Act; and (3) a very large group of nonemployees such as wives or widows whose husbands were excluded both from the Social Security Act and from any private retirement system.

In the aggregate, about $2 billion were contributed by employers to private pension plans in 1951. Ac-

*he data presented in this paper have been drawn from a study economics of old age made for the Twentieth Century Fund e author and John J. Corson. The full report will be pub- by the Fund in the near future.

cording to Chamber of Commerce estimates, this represents an average of 4.6% of covered payrolls in industry, with a range of from 1.9% in wholesale and retail trade pension plans, to 8.1% in pension plans in the petroleum industry. These sums are approximately equivalent to 6.5 cents per hour, or $130 per employee per year.

So much for the pension development up to now. What of future growth? Most larger manufacturing companies and financial institutions, public utility and petroleum companies already have pension plans. The future growth of private pension plans can take place only by extension of pension planning to small manufacturing plants, retail and wholesale establishments, service trades, and the construction industry.

Since sound pension plans for small establishments on a single-employer basis are prohibitively expensive and fraught with economic uncertainty, pensions in these industries will probably have to be on a group basis including many small employers. There is ample evidence that this development in employer-initiated, as well as in negotiated plans, is going on rapidly.

For example, colleges and universities have developed plans in cooperation with the Teachers Insurance and Annuity Association. Small banks have been able to develop pension plans through the efforts of the larger metropolitan banks. Hospitals have provided benefits for their workers on a cooperative basis. Social agencies also have developed programs on a nationwide scale.

Through collective bargaining, plans have been established for hundreds of employers and thousands of employees, such as tool and die workers, longshoremen, lithographers on the West Coast, electricians throughout the nation, hotel and restaurant workers, the building trades workers and milk drivers.

In a recent study of 208 collectively bargained pension plans in New York state, 103, or about half, were found to be employer plans covering 570,000 employees. All of these plans were of the industry-area type.

Most of these plans present tremendous actuarial problems. Whether present contributions will provide the promised benefits is pure speculation. The odds are that they will not. It is possible, however, that some may be actually overfunded, rather than underfunded.

Although the Bureau of Internal Revenue has approved the UAW-Toledo plan covering small employers representing several different industries, this type of plan is financially unrealistic and probably unworkable. It is likely to die on the vine.

The two great enemies of industry pension plans are depression and inflation. Depression is not at the moment a threat. We have experienced the destructiveness of inflation at first hand in the last several years. Like dry rot in a building, inflation leaves t form of the pension unaltered, but eats out the su stance. Inflation raises two problems—how to ma tain the purchasing power of pensions now being pa to retired employees, and how to finance pensions ov the lifetime of the employee so that the benefit pa upon retirement will bear some reasonable relatio ship to his previous living standards.

Efforts to aid pensioners during inflation becan widespread even before 1949. In an industrial re tions counselors' study, it was reported that 29% 550 companies made across-the-board increases pension payments, established a higher minimu benefit, or attempted to adjust the benefit accordi to the need of the pensioner. Adjustments of this ki create new problems.

Paradoxically, the more systematic and fully fund the pension plan, the more difficult it is for a corpo tion to justify increase benefits to those already tired. On what economic grounds can a substant immediate cost increase be justified for an across-tl board enhancement of the retired employee's pensio To what would such a cost be charged? The actua can figure the added liability readily enough, but tl cost, if the pension rolls had already reached maturi would be relatively high measured against the acti employee payroll, and much higher when measur against the retired pension roll before the increase benefits.

The whole purpose of the previous actuarial fun ing would be vitiated unless the employer cou simultaneously, with the increase in the pension ben fit, pay over to the insurance company or trust fu the whole sum needed to fund the increased liabili This is an unlikely transaction.

Consequently, the search for an equitable cost living adjustment in pension benefits is being pursu energetically. Pension escalators are anathema actuaries, just as cost of living bonds would give co servative bankers dyspepsia. Nevertheless, at tl stage of pension development, one would be foolish predict the impossibility of such a future adjustme

By using pension formulas based upon a percenta of final pay, some effects of inflation can be combatt Since wages tend to rise with living costs, the bene is largely adjusted to the level of prices at the time retirement. Relatively few existing plans base t eventual pension on amount of the worker's final ra of pay. Overwhelmingly, plans relate pension amour to average wage or salary, or establish a flat-ra pension benefit.

Other ways of protecting pensions against inflati are now appearing with increasing frequency. T investment of the pension fund in high-grade comm stocks is a method which has gained recent popularit

retically the value of the reserve will rise and ortionately higher benefits will be possible as s rise.

e most striking program at this time is the hers Insurance Annuity supplementary program, l the College Retirement Equities Fund. College ers who are members of the TIAA may allocate uch as 50% of their normal contribution to the ties Fund. In the report of the Equities Fund for rst six months of operation, nearly half of all the ges participating in the Teachers Insurance An- program agreed to participate in the College ement Equities Fund. The retiring teacher then ves a fixed annuity, plus a supplement deter- d by the earnings and equity value of his invest- in the Equities Fund.

few financial institutions and oil companies have somewhat similar arrangements. A well-known ric lighting company, for example, has recently sored a plan for equities investments as a part of pension benefit. Others, without disturbing their ities system, have added profit-sharing and thrift under which the employees purchase company s or stocks from a limited list of stock offerings pplements to the fixed retirement benefit.

e find equity investments in collectively bar- d plans also. Some plans have purchased oper- companies outright or adjusted investment y to allow for a greater proportion of common s. On the whole, however, unions have been rvative in the handling of pension reserves and rally have relied upon bargaining strength to pension benefits adjusted to price levels.

e turn now to the economic consequences of pri- pension plans. There is little mystery and less rtainty about pension reserves in the insured , but not much is known about the investment y and potential impact of trusteed plans upon inancial structure of the country.

ring the summer of 1952, a survey of sixty-three nsured pension plans was made. The number of oyees in these plans ranged from less than 1,000 ver 100,000. Nineteen of the sixty-three plans on a pay-as-you-go basis. Twelve plans were ally funded with accumulated reserves—as little 0,000 in one company and as much as $400 mil- n another. About 50% of the plans studied were funded.

the forty-three funded or partially funded plans, ty-one trust agreements gave the trustee sole etion as to the investment policy; four restricted rustee to investments available to life insurance panies; nineteen retained for the employer the to direct the investment policy.

The investment policies of a very small minority of these trust fund plans could be called unsound, such as placing the principal part of the assets in the book-keeping account of the company, and the purchase of operating businesses.

I say "unsound" only in the sense of security of the ultimate payment of pensions. These rare and unusual practices should not obscure the relatively conservative investment policy of most of the trust fund plans.

Seventy per cent of the assets of the plans studied were in corporate bonds and United States Government bonds. The remaining 30% was allocated to preferred stock, mortgages, and common stock. Nine plans were less conservative in their investments: 16% of their assets were in corporate bonds; 25% in United States Government bonds; 20% in real estate and commercial enterprise and 40% in preferred stock and common stock.

These figures are not substantially different from the results of the Cleveland Electric Illuminating Company's survey in 1949, which showed that in 46% of the plans studied, the investments were exclusively in bonds. The companies investing in stock emphasized preferred stock, and restricted common stock investment to one third of the fund's assets.

Despite the apparent soundness of trust fund management thus far, suggestions of closer government supervision have been increasing. Bank commissioners in most states are not generally concerned with any regulation of pension trust funds, but insurance commissioners apparently foresee potential dangers. The National Association of Insurance Commissioners has appointed a committee to consider the possible need for regulation of pension trusts, and to recommend appropriate state action.

Aside from the question of the security of the funds, the vast accumulation amounting to a net increase of $2 billion per year will be important in the years to come and will have a marked influence upon the investment market. I will mention briefly only two of these developments: first, because of the conservative nature of pension trust management, there may be a decrease in venture capital as more and more personal savings become institutionalized in retirement systems; and two, the tendency of pension trustees to absorb complete issues of desirable securities. This limits the opportunities for the small investors and puts the pension trustees in an extremely powerful position with reference to general financial management of the enterprises whose securities they hold.

Reference to one or two transactions may illustrate the magnitude of pension-trust financial operations. One company in February, 1951, borrowed privately $40 million on twenty-year 2.75% debentures. The money came from several pension funds and was

arranged by the trust departments of some major commercial banks acting as fund trustees.

Similarly, another concern in the same month borrowed $30 million at 2.75% secured by promissory notes due in 1975. The money came entirely from pension funds.

Recently, two instances of pension and profit-sharing trusts buying out entire companies have come to public notice. Ultimately, some difficulty may be experienced in finding new private investment opportunities for pension plans. Of the $38 billion corporate capital expenditures made in 1950, more than half came from undistributed profits and depreciation funds, and only $4 billion from new issues of stocks and bonds. As yet, however, the problem is not serious. The only thing one can say is that the increasing magnitude of pension trusts may make the problem of finding new channels of investment more difficult.

The fifth point I'd like to discuss is the influence of pensions on retirement. It is now well known that while almost all pension plans stipulate sixty-fiv years as the normal retirement age, the actual retire ment age throughout industry averages sixty-eigh

Census figures on employment of persons over sixty five show only 41% of the men in that age group ar in the labor force. However, if one breaks down th over sixty-five group and discusses those from sixty five to sixty-nine, he will find that 60% of the me in that age bracket are still at work. Even in th age group seventy to seventy-four, nearly 40% ar still employed.

The tendency to discuss all persons over sixty-fiv as one group has misled us somewhat in our effort to understand the problem of employment of th people in the upper-age brackets. Between a thir and a half of all companies with pension plans hav a compulsory retirement age, usually sixty-five. Thes are generally the large multiunit corporations whic employ well over 50% of the employees in any indus trial community.

A tight labor market in recent years has led man

(*Continued on page 340*)

Durkin Defends Administration on Labor

CRITICISM of the Eisenhower Administration from Secretary of Labor Martin Durkin's own Plumbers Union met with a rebuff from him, according to the *AFL News-Reporter*. The criticism appeared in a Plumbers' Union *Journal* editorial written by General Acting President Peter T. Schoemann. In reply, Secretary of Labor Durkin, who is listed in the magazine as general president on leave of absence, stated "if I weren't satisfied with the Administration's record on labor affairs, I would resign." The *AFL News-Reporter* also quotes Mr. Durkin as stating, "Certainly the Secretary of Labor occupies a more realistic position in the cabinet of President Eisenhower than his predecessors in previous Administrations."

Mr. Schoemann's editorial, called "Pattern of Plunder," criticized the new Administration program on interest rates, public housing, atomic energy, Social Security, public power, and appointment of men to head federal agencies. On this last point, the editorial says, "it seems to be a policy of the new Administration to appoint men to head up programs and federal agencies to which they are definitely opposed."

In reply, Secretary Durkin said the statement concerning appointments "doesn't square with the facts." According to the *AFL News-Reporter*, Mr. Durkin pointed to his being selected Secretary of Labor and to the appointments of Under-Secretary Lloyd Mashburn and Assistant Secretaries Harris Hobart and Spencer Miller, all three of whom came from union circles.

President Eisenhower, said Mr. Durkin, "has steadfastly adhered to his pledge" to amend the Taft-Hartley Act. "I can report personally," said Mr. Durkin, "that thoughtful consideration is being given to these necessary amendments."

Industrial Medicine for the Family Doctor

HE GENERAL PRACTITIONER, the man who becomes the family doctor and treats mom, junior and cousin Sue, is beginning to knock at stry's door. He wants to be invited inside—not oractice medicine but to observe and learn. He ts to learn more about health and safety condi-s and to become acquainted with the daily work-environment of persons whom he treats as patients is own private office.

pearheading the movement to get the family phy-n within industry's portals is a joint committee on ation formed by two medical groups, the Ameri-Academy of General Practice, and the Council on strial Health of the American Medical Associa-. Assisting this joint committee and encouraging movement are two other medical groups, the erican Academy of Occupational Medicine and Industrial Medical Association. The program is ring down through the top professional channels is gradually being launched by local committees he American Academy of General Practice.

REASONS BEHIND THE PLAN

growing awareness of the need for better under-ding between the family physician and industry a recognition of the importance for the general ctitioner to know more about the daily life of his ents are the reasons behind this movement on the of the doctors. The project gained impetus after rvey showed that 94% of academy members have strial cases in their private practice.

ehind this plan is a desire on the part of all groups cerned to have the private practitioner become er acquainted with the doctor who spends all or of his time in industrial medicine. Naturally, this d is felt more in the large community than in the ll one where members of the same profession are e likely to know one another. Better acquaintance-, it is felt, should bring about more mutual under-ding and more reciprocal relationships between se groups of physicians. An example of successful peration of this kind was exemplified at Ford trument Company, Long Island City, New York, en it sponsored a cancer detection program. Follow-the cancer detection tests provided by the com-y, findings were sent by the company's medical ctor to the employees' private physicians.[1]

'or a full account of this program, see "Cancer Detection Pro-Continues," *Management Record,* May, 1952.

The procedure which the joint committee on education of the medical groups is following is to request companies to open their doors for plant field trips and tours. Solicitation for invitations so far has been carried on through medical directors of companies. One-hundred and fifty of these directors have already been approached and urged to cooperate with their local medical organizations by arranging programs on company premises to which the private practitioners in the community will be invited.[1] The letter which went out to these medical directors from a representative of the joint committee stated:

> "There has been developing a sincere desire for further enlightenment on industrial medicine by the general practitioner. In fact, the demand has been so great that the Commission on Education of the American Academy of General Practice in cooperation with the Council on Industrial Health (AMA) has designated a special committee to start an educational program on this important subject. There is a need for better understanding between the family physician and industry. I know you have recognized this for many years and will welcome the opportunity to participate in this program.
>
> "Here is one of the best means available to improve public relations. If local groups of doctors will receive an invitation from major industrial plants to visit them and learn their problems, the industrial people should likewise get a better opportunity to know the doctors and their problems. How can doctors be sympathetic to the problems of industry except by being interested and learning those problems? How can industrial people know what an organization like AAGP and the Industrial Medical Association is doing except by getting acquainted with them and their publications? Learning to know your neighbor and his learning to know you makes good public relations and takes the word 'problem' out of the picture.
>
> "We believe that a better understanding can be accomplished by arranging for local meetings of general practitioners either in your plant or in your plant city and then arranging a program covering the hazards of your particular work and stressing the need for cooperation in placement, cutting absenteeism, etc.
>
> "The outlet for this program of the American Academy of General Practice will be through local state committees on education and the national committeeman for that area

[1] The program which is being instituted resembles in some features that which has been carried on in the state of Wisconsin for several years under sponsorship of the Wisconsin State Medical Society, the industrial hygiene unit of the Board of Health of Wisconsin and various county medical societies, with cooperation of plant managements. For a report of this program see "The Community Doctor Visits Industry," *Management Record,* May, 1952.

—see attached lists. May I suggest that you work up the local program directly through the local chapter of AAGP with advisory copies to the two state and national committeemen concerned.

"Would you please consider this with your people and we hope that you too can assist in this extensive educational program. If we can be of further assistance do not hesitate to ask."

ONE COMPANY'S PROGRAM

A manufacturing concern which, through efforts of its medical director, has been carrying on this kind of program is the Owens-Illinois Glass Company of Toledo, Ohio. The company has for several years encouraged its plant doctors to invite local medical associations to have meetings at the plant. Now, with the program being encouraged by the joint committee on education representing important medical groups, Owens-Illinois plans to step up its program to include other branch plants.

When this company is host to local doctors, it not only provides an escorted tour of the plant for them but also serves them dinner after the tour. The dinner is served in the OnIzed Clubs' quarters provided at all Owens-Illinois plants for the employees and maintained by them. Carefully selected guides who conduct the physicians through the plant point out hazards involved in specific jobs as well as requirements for certain jobs. They point out the importance of placing the right worker in the right job, call attention to the need for teamwork among workers, etc. At the meeting following the tour and dinner, the plant physician or company medical director gives a brief talk.

The stepped-up program for these meetings was initiated in a memorandum which the company medical director sent to managers of about fifteen Owens-Illinois plants. Copies of the memo (see accompanying box) were sent to the personnel directors and plant physicians at each branch operation.

The invitation to meet in the local Owens-Illinois plant is extended by the plant physician to the president and secretary of the local medical society. This is done in sufficient time so it can be scheduled as a regular medical meeting. The event is also publicized in the local newspapers. The plant doctor is urged to acquaint the general practitioner unit of the society with the meeting program. In the meantime, the state officers of the AAGP advise their members about the forthcoming program and urge their cooperation.

PHILADELPHIA CONCERN IS HOST

Among other companies which have been hosts to doctors in recent months is Curtis Publishing Company of Philadelphia. This meeting, arranged by the company's medical director, was sponsored by the Industrial Medical Association of Philadelphia. All members were urged to bring with them one or more general practitioners. Although the meeting night conflicted with a cancer forum for general practitioner thirty of the approximately seventy-five doctors at tending the meeting were general practitioners.

The meeting was opened with a welcome on th part of some Curtis Publishing Company officer Guests were then shown the Curtis medical faciliti for employees and heard an explanation of what th medical program covers. Instead of a plant tou

(*Continued on page 347*)

OWENS-ILLINOIS GLASS COMPANY

Memo to Owens-Illinois Plant Manager:

Whether we realize it or not the majority of our local physicians are practicing industrial medicine and have a deep-seated interest in our people. The degree varies from the full-time plant physician to the occasional first-aid case and includes many contributory contacts which affect the health, economy and well-being of the wage earner.

No group is more aware of this relationship than the general practitioner or the family physician. Through his organization, the American Academy of General Practice, a national, state and local program of education in industrial medicine is being encouraged.

Industry is being asked to help by inviting the local doctors into the plants so that they can become better acquainted with our hazards and our production problems. Learning to know your neighbor and his learning to know you makes good public relations and takes the word 'problem' out of the picture.

Most of our plants have held an open house for the local medical society at least once in two years but have they taken full advantage of this opportunity? The trip through the plant is most important, for here stress can be laid on our safety and preventive medicine programs. Our hazards can be included. The need of teamwork and better attendance can be stressed by explaining the production loss when a member of the team is absent. Here again the visiting physician may offer suggestions for the improvement of our own health and safety program.

Generally these plant trips are followed by dinner and a program. We feel that not only should the plant physician speak but there should also be a guest speaker from industry who can develop industry's problems and show how the local physicians can help. Maybe a panel would be the answer but in any case questions and answers should be encouraged.

You will be surprised how quickly they will get on your team. Their own economy is dependent upon the economy of both industry and labor. They want to help make your people safe, hale and hearty. If you can give them a lift by providing a meeting, please do so.

Sincerely,
Industrial Relations Division
Medical Director

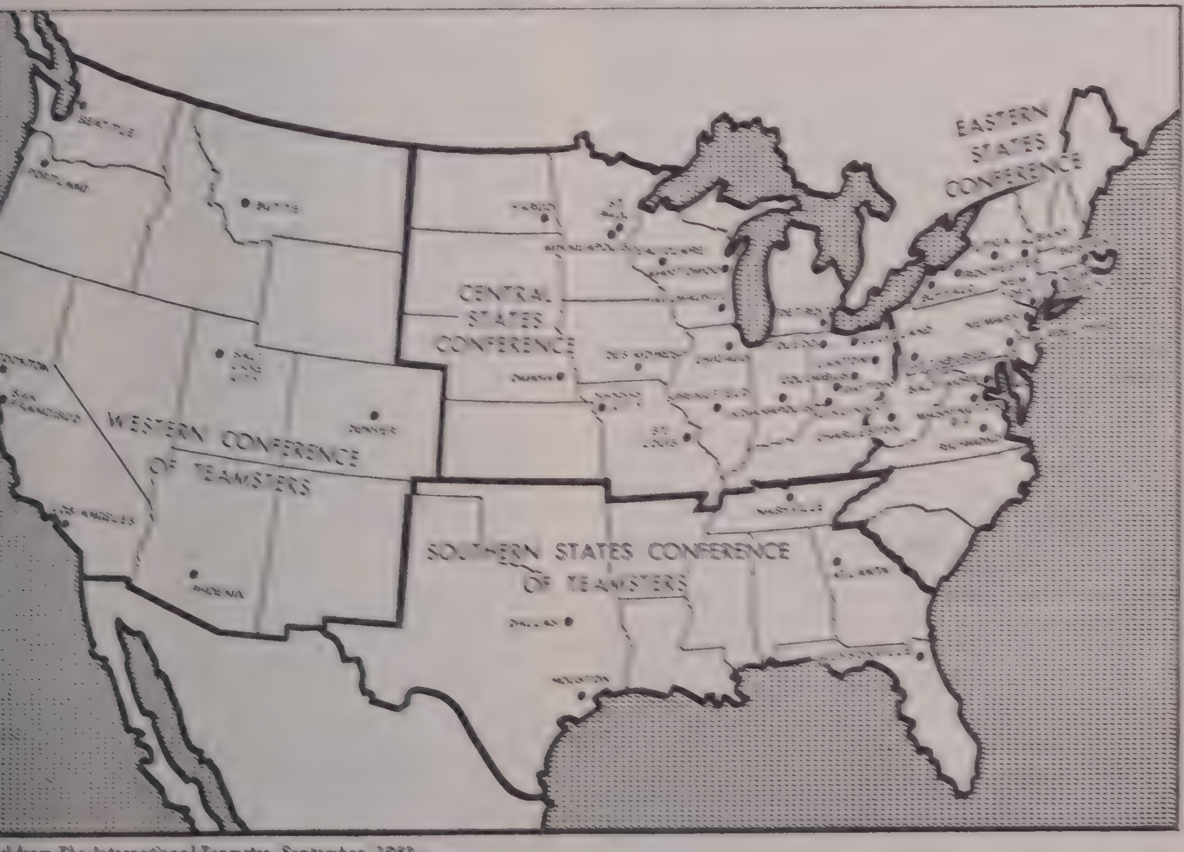
DAVE BECK AND THE AFL

AVE BECK became president of the AFL Teamsters officially on December 1, 1952. Since his movements inside and outside of the union been almost too fast to keep up with. However, gh progress reports and speeches published in *International Teamster*, Mr. Beck spells out what s done and what he intends to do. He has made ficant changes in the organizational structure ersonnel of the union. He has built new member- He is working out jurisdictional agreements with unions. And last month he moved into the s governing body, the executive council, becom- vice-president of the federation.

Teamster president, he is reorganizing the entire union into four regional conferences similar to the western conference, through which he came to power (see map). Each regional conference, in turn, is separated into regional trade divisions corresponding to national trade divisions. Part of his reorganization job is already completed. To take over as head of the western conference, which includes eleven western states, Hawaii and Alaska, Mr. Beck appointed Frank Brewster, sixth vice-president of the Teamsters' union. A central states conference, covering twelve states, was formed late in April. To head up this organization, Mr. Beck appointed James R. Hoffa, tenth vice-president of the Teamsters. Mr. Hoffa coordinates the work of these twelve trade

Regional Organization of the AFL Teamsters

Cities Indicate Location of Joint Councils



d from The International Teamster, September, 1953

divisions in his region: automotive, bakery, brewery and soft drinks, building and construction, chauffeurs, freight, laundry and dry cleaning, miscellaneous sales drivers, cannery and frozen foods, dairy, produce, public service. An eastern states conference, similar to the other two conferences, is scheduled for organization late in October. It will include fifteen states along the Atlantic seaboard. The southern states conference is still in the planning stage. General organization of the South, according to Mr. Beck, hinges first on saturation organization of the northern areas of the country.[1]

The new organization structure, according to a progress report issued by Mr. Beck in *The Teamster,* "has resulted in discontinuing the employment of several organizers, transfer of other personnel employed in specialty fields, transfer also to other areas of some organizers, and intensified cooperative functioning relationships among joint councils, local unions, conference and trade divisions."

Mr. Beck and Teamsters' Membership

Organizational changes, according to Mr. Beck's statements, are designed to help local unions and build Teamsters' membership. Several times within the past few months, Mr. Beck has forecast that the Teamsters would have 2 million members by 1957 and 3 million in ten years. He based his prediction on the fact that the western conference, which he headed, had 330,000 Teamster members while the eleven states it covered had only 10% of the nation's population. "With the same proportion population-wise applied to the entire country," says Mr. Beck, "we should have more than 3 million, and we will reach this goal within ten years."

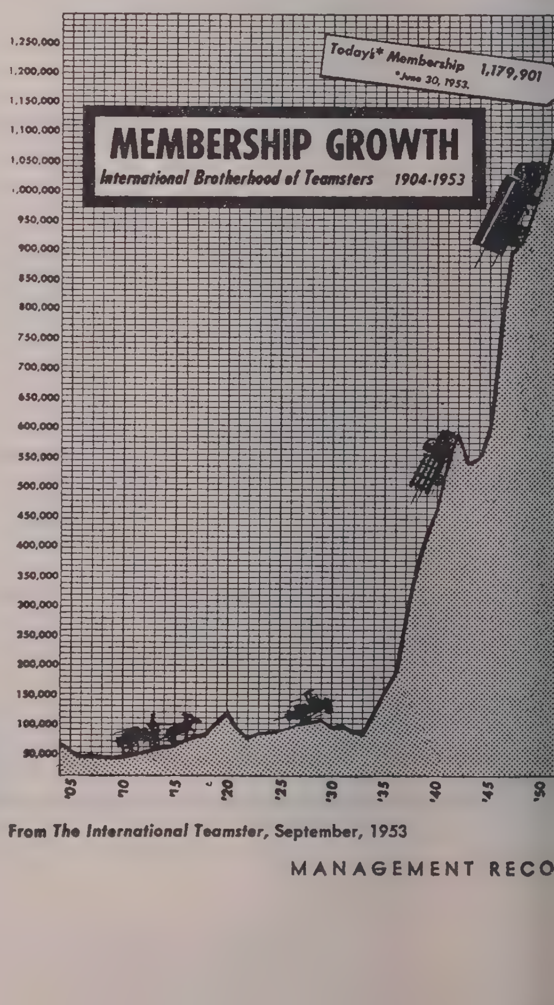
As of June 30, the Teamsters' secretary-treasurer, John S. English, reported a membership of 1,179,901—an increase of more than 5,000 a month over the previous year. (The Teamsters' growth since its founding in 1904, as charted by Mr. English in *The Teamster,* is shown at right.)

"We are continually increasing our membership," states Mr. Beck in his progress report, "and with each accomplishment, we develop increasing momentum." As an example, he cites "Operation Newark," where the Teamsters' victory over the CIO Brewery Workers in an NLRB election involving six breweries "proved to the union [CIO Brewery Workers] that the Teamsters are the key to their future welfare." As a result, ten New York locals of the CIO Brewery Workers brought 19,000 members into the Teamsters' Brewery Division, according to *The International Teamster.*[2]

Mr. Beck and Teamster Jurisdiction

While emphasizing organization changes to b Teamster membership, Mr. Beck also emphasizes tection of Teamster jurisdiction to maintain union's membership. "Jurisdiction is the lifelin our union and we are going to protect that lifeli Speaking to the western conference of Teamsters, Beck said, "We want no fight with the Electr Workers, the Plumbers or the Carpenters, but will not stand idly by and permit infringement of jurisdiction. If Carpenters take in log haulers, can do carpentry work. If Electrical Workers going to drive trucks, our men are going to do wi If Plumbers are going to do hauling, we are g to do plumbing. And if the retail clerks insist on r ing our unions and getting display men, historic belonging to the Teamsters, I will instruct all l unions to start organizing retail clerks."

In seeking to settle such jurisdictional proble Mr. Beck states that he has been meeting with o union presidents to work out agreements simila the Teamsters' cooperation pact signed with the A Machinists' union. It is because of these talks, acc ing to Mr. Beck, that rumors have grown concer his meetings with John L. Lewis. While the ru



From *The International Teamster*, September, 1953

[1] See "Beck Calls for New Southern Organizing Strategy," *Management Record,* July, 1953, p. 301.

[2] See "Teamsters Win Two Big Elections," *Management Record,* April, 1953, p. 143, and "Whither the CIO?" *Management Record,* August, 1953, p. 295.

Mr. Beck and Mr. Lewis discussing a possible ce, Mr. Beck told the western conference, "Cer- I have been meeting with presidents of other s. That is part of my duties. I have met with L. Lewis. We have problems of workers in organizations as the Mine Workers in District d we have discussed some of the common prob- I am sure with mutual benefit." (On September Carpenters reaffiliated with the AFL.)

eck and the AFL Vice-Presidency

pping all these activities, the AFL executive il last month made Dave Beck an AFL vice- lent and a fellow member of the executive coun- his gives the Teamsters' union two members e council, since Daniel J. Tobin, past president now the Teamsters' general president emeritus, eady an AFL vice-president. Mr. Beck's election AFL vice-president was made possible by the lrawal from the AFL of the Carpenters and resident emeritus, William L. Hutcheson, long first vice-president of the federation.

e Carpenters claim a membership of 750,000, aid per capita dues on the basis of 600,000. The tial $300,000 loss to the AFL was offset by an tive council decision requiring AFL affiliates to er capita taxes on full membership. This change umped the AFL's membership based on per a tax from 8 million to 10 million, according to recent reports from the AFL executive council. Beck's Teamsters' union alone made up almost the financial loss, since the Teamsters had been g per capita tax on 650,000 members. The union pays per capita tax on 1,125,000.

Finances

ets of the AFL International Chemical Workers Union ed $832,235.48 for the fiscal year ending June 30, liabilities were $93,038.54. The union's financial state- in *The International Chemical Worker* shows a total e of $1,063,428.62 for the year, with all but $30,000 g from per capita taxes and initiation fees.

AFL Retail Clerks International Association showed of $1,949,269.05 and a net worth of $1,892,368.02 e fiscal year ending April 30, 1953. Dues and initiation or the year amounted to $1,571,228.61, according to nancial statement in the *Retail Clerks' International cate*.

CIO Communications Workers of America finan- atement in the *CWA News* placed assets for the year g April 30, 1953, at $1,768,928.40; liabilities were 768.58. Total income reached $4,427,119.13, with $4,- 3.25 from dues and another $42,823 from initiation The CWA, at its recent convention, established its t for 1954 on the basis of 250,000 members. The *CWA* reports that the convention voted to raise the salaries five top officers as follows: president up $3,800 annu- o $17,000; secretary-treasurer up $3,300 annually to 0; vice-president up $2,300 annually to $12,500.

Total assets of the AFL Hotel & Restaurant Employees & Bartenders International Union amount to $4,956,219.71 for the year ending April 30, 1953, reports the *Catering Industry Employee*. Almost $4.5 million of the union's assets are in United States and Canadian government bonds. Receipts of the union's fiscal year amounted to $2,952,070.09 with $1,895,494.30 coming from dues.

Machinists, Rubber Workers in No-Raid Pact

Having signed no-raid agreements with the United Automobile Workers, CIO,[1] and the AFL Teamsters, the International Association of Machinists, AFL, completed a similar pact with the CIO Rubber Workers, reports *The Machinist*. The no-raid pact with the Rubber Workers pledges the unions:

- To assist each other in reestablishing bargaining rights in "runaway" shops.
- To refrain from soliciting membership where the other union has a contract.
- To refrain from aiding other AFL or CIO unions to raid either the Machinists or Rubber Workers.
- To conduct organizing campaigns in plants where neither the IAM or Rubber Workers has a contract, without tactics detrimental "to the over-all interests of the labor movement."
- To negotiate jointly with an employer when such action is advisable.

Rail Unions Choose New Chiefs

The retirement of D. B. Robertson, president of the Locomotive Firemen and Enginemen, and the death of J. P. Shields, president of Locomotive Engineers, forced these two independent railroad brotherhoods to select new presidents, reports *Labor*. At the Firemen's convention, Mr. Robertson, seventy-seven, who has been the union's chief for thirty-one years, refused to accept nomination for another term in office. The Firemen selected H. E. Gilbert, forty-six, to succeed him. The Locomotive Engineers' convention officially elected Guy L. Brown as grand chief. Mr. Brown has filled the post since the death of Mr. Shields earlier this year.

Fairless and McDonald to Tour Mills

The good-will tour of United States Steel plants, originally planned by Philip Murray and Benjamin Fairless, will start this fall with David J. McDonald, Steelworker president, replacing Mr. Murray. According to *The CIO News*, the two men will discuss local problems with union and management leaders at each major mill of the United States Steel Company. If the tour proves successful, *The CIO News* reports that Mr. McDonald will suggest similar tours with heads of other steel producers.

HAROLD STIEGLITZ
Division of Personnel Administration

[1] See "Trends in Labor Relations," *Management Record*, July, 1953, p. 257.

Briefs on

PENSIONS AND OTHER BENEFITS

Stock Bonus for Long Service

Twenty-four employees of the Federal Mogul Corporation recently received shares of stock in the company in recognition of completing twenty-five years of continuous service. Each employee received twenty shares of stock, valued at approximately $535, and a cash payment of $150 to help pay the income tax due on the gift of stock. This year's awards continue a custom started in 1938.

Preparation for Retirement

The Standard Oil Company of California has recently completed the first year of its expanded preretirement counseling program. Prior to 1952 the program consisted of annual medical examinations beginning at age forty; articles in employee magazines and other reading material; annual estimates of annuities; and discussion of retirement income and other benefits.

The new features are based on a series of four letters distributed at monthly intervals beginning ten years before the employee's normal retirement date. Each letter is accompanied by literature related to its topic (health, income, use of leisure, and the need for planning), and the employee is given a loose-leaf binder in which to place the material. The series is introduced by a personal letter from the local field executive. The company plans to distribute suitable follow-up material periodically. Several meetings on health and other subjects have also been held, to which wives and husbands have been invited.

The entire program stresses the idea that retirement planning is something to be taken care of by the individual employee and his family and that the company's program is designed merely to help them. More than 90% of the employees replying to a company questionnaire indicate that they consider the program helpful.

New and Increased Benefits

The Westinghouse Electric Corporation's board of directors has approved increased pension benefits to become effective September 1. Under the noncontributory plan, eligible employees will receive $1.60 a month for each year of service up to thirty years, plus Social Security benefits. If the employee is eligible for maximum Social Security he will receive a $133 monthly pension. The company pension is not tied in with Social Security; that is, it will not be changed to reflect increases or decreases in Social Security benefits. Hourly employees will not be eligible for the company's contributory pension plan after September 1.

* * *

Vested pension rights after ten years of service are established in an agreement between the Udylite Corporation, Parker-Wolverine Division, and the UAW-CIO. The worker does not have to stay with the company until age sixty-five in order to have his pension credits maintained. No compulsory retirement at any age is another feature of this contract. Both of these provisions are variations from the industry pattern.

* * *

American Cyanamid announces increased hospital-medical benefits, effective May 1, 1953. The daily room-and-board allowance has been raised from $1[illegible] to $12 and the maximum period of confinement increased from thirty-one days to seventy days. The miscellaneous charges allowance has been raised from $150 to $200, and the maternity benefit from $12[illegible] to $150. The maximum benefit for in-hospital medical care is now $280 instead of the former $100. Unmarried dependent children age nineteen or over, formerly eligible for hospital benefits only, may now receive surgical and medical benefits.

American Cyanamid has also adopted a major medical expenses policy for employees and dependents which pays up to $10,000 in cases of catastrophic illness.

Keeping Employees Informed

The August issue of the *Electrical Workers' Journal*, the publication of the International Brotherhood of Electrical Workers, AFL, contains a five-page report on the pension trust fund administered jointly by the union and the National Electrical Contractors Association. The report is liberally illustrated and accompanied by tabulations and charts in color. Started in 1947, by December 31, 1952, the fund had received a total of $16,791,977.08 in contributions from both employees and employers. Receiving $5[illegible]

ly pensions from the fund are 4,697 retired members.

* * *

l Allis-Chalmers Manufacturing Company, Na- Broadcasting Company, and the B. F. Goodrich pany to the list of corporations who are distribut- nnual individual pension statements to em- es. Each statement shows how much pension een built up for the employee to date and des him with either an estimate of his pension, on present earnings, or a formula by which figure it out himself.

e Standard Oil Company (New Jersey) uses ch more detailed form, which enables the em- e to calculate his retirement income on the of estimated future earnings as well as past resent compensation. The form is a chart about een by seventeen inches in size. On one side, the yee can compute the amount of his company ty by estimating what rates of pay he will achieve at various years between his present age and sixty-five. On the reverse side of the chart, in a similar manner, he may calculate the amount of Social Security benefit for himself and his wife.

Recent Publications

Transactions of Joint Medical-Legal Conference: A Panel Discussion on Administration of Workmen's Compensation Laws—*Transactions Bulletin No. 25, Industrial Hygiene Foundation of America, Inc., Pittsburgh, 1953, 43 pp.*

Effective Use of Older Workers—*By Elizabeth Llewellyn Breckinridge, Wilcox and Follett Company, Chicago, 1953, 216 pp.*

Recent Pension Plans: Collectively Bargained Programs Established in New York State Between July, 1951, and January, 1953—*State of New York, Department of Labor, Division of Research and Statistics, Publication No. B-68, June, 1953, 60 pp.*

LOIS E. FORDE
Division of Personnel Administration

Trends in LABOR RELATIONS

e Than a Look—the Books Themselves

e CIO Steelworkers have presented a demand etailed information to employers with whom have contracts. Some of these employers have cterized this as "more than a demand for a at the books, but a demand for the books them- s." In a form letter, the union wanted from companies financial and operating information e company as a whole *and* for each particular or plants for which the union is the bargain- gent. The union's letter says that it "required" e company an annual breakdown for each item e last five years and quarterly breakdowns for ast full year and the current fiscal year.

e following is a copy of the information demanded e union:

alance Sheet

Detail as normally prepared by the company

ncome (Profit and Loss) Statement

evenues

Net sales
Other income

osts

Wages and salaries
Other employment costs (pensions, insurance, etc.)
Cost of materials (The method of valuing the inventory along with any change in the method and its effect on profit before and after taxes should be shown as part of this item)
Administrative and selling expense
Interest
State and local taxes
Depreciation
Other costs (describe if substantial)

Profits Before Federal Taxes on Income

Federal income tax (normal and surtax)
Excess profits tax

Net Profit

Dividends

Common stock
Preferred stock

3. *Man-hours Worked in the Bargaining Unit*

In the union's covering letter to the employer, the CIO Steelworkers state that "the union's right to this information has been spelled out by the National Labor Relations Board and upheld by the courts. Pertinent decisions with respect to this matter are:

The Jacobs Manufacturing Co., 196 F. 2d 680 (C.A. 2, 1952) enforcing 94 NLRB 1214 (1951); Southern Saddlery Co., 90 NLRB 1205 (1950) and Pioneer Pearl Button Co., 1 NLRB 837 (1936)."

Employers who have received such demands for information say that to fulfill them in the detail requested would tie up their staff for a considerable time. A number of them have turned over the union's request to their general counsels for reply.

Contract Gives Choice of Holidays

To avoid penalizing employees who wish to observe religious holidays and at the same time to allow others equal time off, the contract between a New York newspaper and the CIO Newspaper Guild grants six fixed holidays plus two additional days selected from a list which includes religious holidays. The holiday clause of this contract reads as follows:

> "Holidays shall be granted as follows:
>
> "(a) Fixed full holidays with pay shall be New Year's Day, Decoration Day, July Fourth, Labor Day, Thanksgiving and Christmas.
>
> "(b) Employees shall be given, at the convenience of the office, the equivalent of two additional holidays with pay to be selected by each employee from the following list:

Washington's Birthday	Armistice Day
Passover	Rosh Hashana
Good Friday	Yom Kippur
Lincoln's Birthday	Columbus Day
Easter Sunday	

> "If the granting of time off on any holiday enumerated in the foregoing paragraphs would, in the judgment of the publisher, interfere with the operation of the newspaper, then the time off need not be granted on any such holiday to the employee needed for such operation; in which event, the employee shall be compensated by equal time off at a later date."

Supervisors' Discharges Ruled Illegal

While the Taft-Hartley Act specifically exempts supervisors from its coverage, the NLRB held in the Talladega Cotton case that a company's discharge of supervisors under certain circumstances may constitute an unfair labor practice.

In the Talladega case, the company in June, 1949, ordered its supervisors to oppose the CIO Textile Workers' Union organizing drive. According to the NLRB, the company told its supervisors at a meeting of management personnel that "it was opposed to, and would not have, a union in its plant, and instructed the supervisors to put a stop to union activities, to 'break the union up' and 'get [employees] out of the union.'"

Two supervisors expressed an unwillingness to engage in these activities. At the company's insistence, however, they did follow through "reluctantly" wi the company's orders.

The union won the election. The company d charged the two supervisors and the CIO Text Workers filed an unfair labor practice charge agai the company on their behalf. The company contend that as supervisors were not employees under t Taft-Hartley Act, the company was therefore pri leged to discharge them. The NLRB rejected th argument saying: "Although it is true that und the amendments the [Taft-Hartley] Act no long protects supervisors discharged for union activiti we find that the amendments did not change the la heretofore applied in cases comparable to the prese one, where the discharge of supervisory employe constituted an invasion of the self-organization rights of rank and file employees."

The NLRB held that the discharges of the tv supervisors violated Section 8 (a) (1) of the Ta Hartley Act. The NLRB said:

> "In these circumstances, where, as here, the discharg followed immediately on the heels of the union's victo in the board-conducted election, the discharges plain demonstrated to rank and file employees that this acti was part of its plan to thwart their self-organizatio activities and evidenced a fixed determination not be frustrated in its efforts by any half-hearted or p functory obedience from its supervisors. In our opini the net effect of this conduct was to cause nonsuperviso employees reasonably to fear that the respondent [co pany] would take similar action against them if th continued to support the union."

The NLRB ordered the company to reinstate t supervisors with back pay to 1949.

Annual Wage Guarantee

A one-year wage guarantee is written into t agreement between the Central Hudson Gas & Ele tric Corporation and the International Brotherho of Electrical Workers, AFL. The provision also appea in the company's agreement with the Central Huds Employees Association. It reads:

> "No employee who has been continuously in t employ of the company for three years or more will ha his salary reduced during the term of this contract [o year] by reason of layoff or demotion due to lack work. The company shall have the right to transfer a employee who, but for the provisions of this paragrap would have suffered a reduction in pay by reason layoff or demotion, and such transfer may be made wit out the necessity of complying with paragraphs D a E of Article IV hereof [providing for advance notice transfers, demotions, vacancies and new jobs]. The uni may establish rules subject to the approval of the co pany governing the seniority of employees so transferred

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Review of Labor Statistics

ETAIL PRICES in thirty-nine United States cities advanced 0.6% between mid-June and mid- according to THE CONFERENCE BOARD's index. all-items index for July stood at 182.2 (January, =100), 0.1% above a year ago and only 0.2% the all-time high of 182.6 which was reached in ist of last year.

e latest rise in prices of goods and services pur- d by moderate-income families caused an 0.5% in the purchasing value of the dollar. However, mpared to last July, the purchasing value of the imer's dollar has remained unchanged.

e increase in the all-items index between June July can be attributed in large part to substantial ases in the food and sundries components. The index rose 0.8% over the month, with increases ted for round steak, pork, chicken, margarine, lettuce and coffee. Further increases in coffee s may be in store according to some Brazilian experts. Early July frosts threatened much of il's crop, but it has not yet been determined just much damage was done. Some of the food items h showed decreases over the month were lamb, flour, evaporated milk, American cheese, cab- , green beans and apples. Since July, 1952, food have dropped 4.1%.

e sundries index, on the other hand, is 4.1% e its year-ago level. Increases in medical fees, e admissions and some drug items contributed to .6% increase over the month. This component een moving upward almost without interruption he past year.

ousing costs, represented in the index by residential rents, have also shown an upward trend throughout the past year. The current index is 5.2% above the year-ago level and 0.3% higher than last month. This rise does not include increases resulting from the expiration of federal rent controls on July 31; this will not be reflected in the index until August.

Of the other components included in the study, clothing dipped 0.1% over the month, fuel advanced 0.3%, and housefurnishings remained unchanged. This figure is down 0.5% from last year. Fuel prices are 3% higher than a year ago.

A glance at the individual city indexes shows that Chicago led the monthly cities with a rise of 1.5%, brought about mainly by advances of 2.4% and 2.1% respectively in the food and housing components. All other monthly cities registered increases of lesser degree, except Detroit and Indianapolis which remained unchanged over the month. Changes in the indexes of the quarterly cities ranged from a decrease of 0.4% in Seattle to an increase of 2.1% in Erie.

EMPLOYMENT

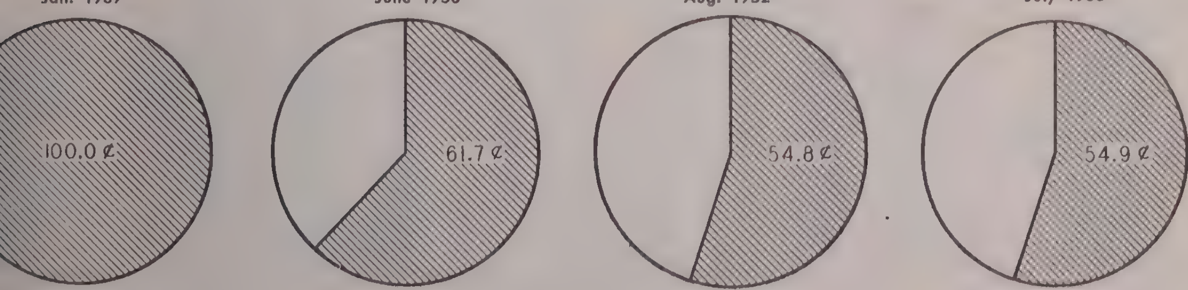
According to the latest Census Bureau figures, total civilian employment in July was estimated at 63.1 million. This was a slight decline from June, but the figure is a million above last year's record for July.

Nonagricultural employment showed little over-all change from the previous month. At 55.5 million it was the highest on record for the month—about a million higher than in July, 1952, and approximately 2¾ million greater than July, 1950, at the start of the Korean conflict. Agricultural employment dropped by 300,000 to 7.6 million between June and July. Such a drop is usual for this time of the year.

At 1.5 million in July, unemployment remained practically unchanged, showing only a 14,000 decrease over the month. This total was 400,000 under a year ago and one of the lowest on record for the month. Only about 2.4% of all civilian workers were jobless in July. In July, 1952, about 3.0% of the civilian labor force was unemployed.

The total civilian labor force, which includes both employed and unemployed, was estimated at 64.7 mil-

Purchasing Value of the Dollar



: The Conference Board.

Consumers' Price Indexes for Cities Surveyed Quarterly

NOTE: *These indexes do NOT show intercity differences in price level or standards of living. They show only changes in consumers' prices in each city, which changes may be compared with those for other cities.*

City	Index Numbers Jan., 1939=100			Percentage Changes	
	July 1953	April 1953	July 1952	April 1953 to July 1953	July 1952 to July 1953
Baltimore					
Food	230.3	225.0	242.9	+2.4	−5.2
Housing	118.9	118.9	116.8	0	+1.8
Clothing	155.0	154.4	154.9	+0.4	+0.1
Fuel[1]	157.5	161.0	154.5	−2.2	+1.9
Housefurnishings	193.8	192.3	192.2	+0.8	+0.8
Sundries	179.7	175.1	172.3	+2.6	+4.3
Weighted total	182.9	180.0	184.7	+1.6	−1.0
Bridgeport					
Food	219.3	215.2	237.3	+1.9	−7.6
Housing	120.0	118.9r	118.5	+0.9	+1.3
Clothing	145.7	144.7	145.6	+0.7	+0.1
Fuel[1]	170.4	170.7	164.9	−0.2	+3.3
Housefurnishings	162.6	162.8	162.1	−0.1	+0.3
Sundries	193.0	193.2	181.9	−0.1	+6.1
Weighted total	180.0	178.4r	182.1	+0.9	−1.2
Erie					
Food	255.8	244.4	263.4	+4.7	−2.9
Housing	146.0	142.6r	135.9	+2.4	+7.4
Clothing	172.6	171.9	177.6	+0.4	−2.8
Fuel[1]	175.7	179.1	170.3	−1.9	+3.2
Housefurnishings	169.1	170.1	169.6	−0.6	−0.3
Sundries	183.7	183.2	175.0	+0.3	+5.0
Weighted total	197.6	193.6r	195.7	+2.1	+1.0
Grand Rapids					
Food	238.0	231.6r	246.2	+2.8	−3.3
Housing	181.1	180.2	176.6	+0.5	+2.5
Clothing	140.1	139.7	140.4	+0.3	−0.2
Fuel[1]	159.4	161.6	153.5	−1.4	+3.8
Housefurnishings	174.6	173.2	175.5	+0.8	−0.5
Sundries	185.6	185.5r	176.0	+0.1	+5.5
Weighted total	192.5	190.5r	191.0	+1.0	+0.8
Houston					
Food	231.4	231.3r	238.3	a	−2.9
Housing	144.1	144.1	142.5	0	+1.1
Clothing	150.7	150.0	151.9	+0.5	−0.8
Fuel[1]	90.1	90.1	81.8	0	+10.1
Housefurnishings	140.3	141.5	144.1	−0.8	−2.6
Sundries	173.0	171.9	167.7	+0.6	+3.2
Weighted total	175.5	175.1r	175.3	+0.2	+0.1

City	Index Numbers Jan., 1939=100			Percentage Changes	
	July 1953	April 1953	July 1952	April 1953 to July 1953	July 1 to July 1
Minneapolis-St. Paul					
Food	246.1	242.7r	254.3	+1.4	−3
Housing	113.0	113.0r	113.0	0	0
Clothing	156.3	155.9	153.7	+0.3	+1
Fuel[1]	146.1	146.2r	142.0	−0.1	+2
Housefurnishings	177.9	178.9	177.8	−0.6	+0
Sundries	191.1	183.6	177.4	+4.1	+7
Weighted total	185.9	182.7r	183.7	+1.8	+1
Newark					
Food	230.1	225.8	241.9	+1.9	−4
Housing	111.8	111.8	111.1	0	+0
Clothing	144.3	143.4	140.6	+0.6	+2
Fuel[1]	124.6	123.7	121.5	+0.7	+2
Housefurnishings	193.0	195.1	190.2	−1.1	+1
Sundries	170.3	170.4	167.3	−0.1	+1
Weighted total	177.3	175.7	180.0	+0.9	−1
Roanoke					
Food	238.6	231.3r	244.9	+3.2	−2
Housing	157.3	157.1	157.0	+0.1	+0
Clothing	168.9	168.7	168.5	+0.1	+0
Fuel[1]	144.8	145.4	142.6	−0.4	+1
Housefurnishings	173.5	175.4	172.7	−1.1	+0
Sundries	169.6	169.3	163.3	+0.2	+3
Weighted total	186.2	184.1r	185.8	+1.1	+0
Seattle					
Food	226.7	229.2	237.2	−1.1	−4
Housing	140.3	140.1r	135.2	+0.1	+3
Clothing	145.3	145.1r	143.7	+0.1	+1
Fuel[1]	147.0	147.0r	139.2	0	+5
Housefurnishings	184.2	183.9	179.2	+0.2	+2
Sundries	169.7	169.5	160.6	+0.1	+5
Weighted total	179.8	180.5r	178.5	−0.4	+0
Syracuse					
Food	238.5	233.5	249.9	+2.1	−4
Housing	126.0	125.2	124.8	+0.6	+1
Clothing	161.7	162.4	157.6	−0.4	+2
Fuel[1]	169.4	168.0	163.7	+0.8	+3
Housefurnishings	173.4	174.2	176.1	−0.5	−1
Sundries	158.7	158.4	153.0	+0.2	+3
Weighted total	177.2	175.5	177.8	+1.0	−0

Source: THE CONFERENCE BOARD.

[1] Includes electricity and gas.
a Less than 0.1%.
r Revised.

Consumers' Price Index for Thirty-nine Cities, and Purchasing Value of the Dollar

Index Numbers, January, 1939 = 100

Date	Weighted Average of All Items	Food	Housing[1]	Clothing			Fuel[2]			House-furnish-ings	Sundries	Purcha Valu the Do
				Total	Men's	Women's	Total	Electricity	Gas			
1952 July	182.1	243.2	125.2	150.7	168.2	135.9	134.8	91.3	102.8	164.8	172.5	54
August	182.6	243.9	125.5	150.5	167.9	135.7	135.8	93.2	102.8	165.1	173.0	54
September	181.7	241.0	125.7	150.8	167.4	136.6	136.3	93.0	102.9	165.1	172.9	55
October	181.5	239.9	126.2	150.5	167.4	136.1	137.9	92.7	102.7	164.4	173.2	55
November	182.3	241.3	126.8	150.6	167.4	136.3	138.9	93.4	103.0	165.7	173.4	54
December	180.9	236.1	127.6	150.6	167.4	136.3	140.5	93.4	103.0	165.7	173.8	55
Annual average	180.7	239.4	125.4	151.4	168.7	136.8	136.3	92.0	102.8	166.3	171.2	55
1953 January	180.4	233.2	128.2	150.6	167.4	136.3	141.1	93.4	103.9	163.7	174.9	55
February	179.0	228.7	128.8	150.6	167.7	136.1	140.8	93.4	103.8	164.6	175.0	55
March	179.5	229.1	128.9	150.8	167.5	136.6	140.9	93.4	104.0	164.7	175.9	55
April	179.4	227.4r	128.9	150.7	167.4	136.4	140.7	93.4	104.2r	164.5r	177.8r	55
May	180.1	228.5	131.0	150.8	167.8	136.4	138.5	93.4	104.2r	164.5	178.1	55
June	181.2	231.3	131.3	150.9	167.9	136.4r	138.4	93.4	104.2r	164.0r	178.5	55
July	182.2	233.2	131.7	150.8	167.7	136.4	138.8	93.4	104.4	164.0	179.5	54
Percentage Changes												
June 1953 to July 1953	+0.6	+0.8	+0.3	−0.1	−0.1	0	+0.3	0	+0.2	0	+0.6	−0
July 1952 to July 1953	+0.1	−4.1	+5.2	+0.1	−0.3	+0.4	+3.0	+2.3	+1.6	−0.5	+4.1	0

[1] Rents surveyed quarterly in individual cities
[2] Includes electricity and gas
r Revised

Consumers' Price Indexes for Cities Surveyed Monthly

NOTE: *These indexes do NOT show intercity differences in price level or standards of living. They show only changes in consumers' prices in each city, which changes may be compared with those for other cities.*

City	Index Numbers Jan., 1939=100			Percentage Changes	
	July 1953	June 1953	July 1952	June 1953 to July 1953	July 1952 to July 1953
ningham					
....	242.5	239.0r	240.9	+1.5	+0.7
....	164.2	163.9	160.9	+0.2	+2.1
....	151.6	152.1	152.2	−0.3	−0.4
....	129.4	129.2	130.9	+0.2	−1.1
nishings.....	168.8	168.8	171.3	0	−1.5
....	157.1	156.4r	154.5	+0.4	+1.7
ted total.....	181.5	180.2r	179.9	+0.7	+0.9
oston					
....	220.6	220.5	234.0	a	−5.7
....	129.6	129.6	128.9	0	+0.5
....	142.1	142.1	136.7	0	+4.0
....	177.4	173.8	172.4	+2.1	+2.9
nishings.....	155.7	155.7	156.1	0	−0.3
....	170.6	170.6	166.0	0	+2.8
ted total.....	177.6	177.3	180.3	+0.2	−1.5
hicago					
....	250.0	244.2	254.3	+2.4	−1.7
....	144.6	141.6r	133.6	+2.1	+8.2
....	146.1	146.4	146.9	−0.2	−0.5
....	118.4	118.4	118.1	0	+0.3
nishings.....	157.7	158.0	160.5	−0.2	−1.7
....	180.4	179.9	174.9	+0.3	+3.1
ted total.....	187.9	185.2r	185.5	+1.5	+1.3
enver					
....	239.7	240.8	242.4	−0.5	−1.1
....	130.5	130.5	128.2	0	+1.8
....	163.0	163.3	162.8	−0.2	+0.1
....	106.4	106.4	103.6	0	+2.7
nishings.....	156.3	156.3	162.2	0	−3.6
....	164.3	157.2	159.3	+4.5	+3.1
ted total.....	177.5	175.7	176.4	+1.0	+0.6
etroit					
....	244.6	245.8	252.2	−0.5	−3.0
....	141.4	141.4	130.6	0	+8.3
....	147.1	147.1	148.4	0	−0.9
....	162.6	162.1	159.8	+0.3	+1.8
nishings.....	165.2	165.1	168.4	+0.1	−1.9
....	192.8	191.6r	179.1	+0.6	+7.6
ed total.....	189.7	189.7	186.1	0	+1.9

City	Index Numbers Jan., 1939=100			Percentage Changes	
	July 1953	June 1953	July 1952	June 1953 to July 1953	July 1952 to July 1953
Indianapolis					
Food...............	253.6	254.3r	253.6	−0.3	0
Housing	135.6	135.6	123.0	0	+10.2
Clothing............	143.5	144.3r	144.0	−0.6	−0.3
Fuel[1]...............	154.6	154.4	156.8	+0.1	−1.4
Housefurnishings....	157.3	155.6	157.0	+1.1	+0.2
Sundries............	185.1	184.5	177.9	+0.3	+4.0
Weighted total....	188.1	188.1r	184.2	0	+2.1
Los Angeles					
Food...............	224.7	218.6	237.5	+2.8	−5.4
Housing	142.1	142.1r	143.0	0	−0.6
Clothing............	141.8	141.8	142.3	0	−0.4
Fuel[1]...............	101.5	101.5	101.1	0	+0.4
Housefurnishings....	160.8	160.3	158.6	+0.3	+1.4
Sundries............	177.6	175.9	170.2	+1.0	+4.3
Weighted total....	177.5	175.1r	178.9	+1.4	−0.8
New Orleans					
Food...............	259.8	255.6	252.2	+1.6	+3.0
Housing	159.5	159.5	130.8	0	+21.9
Clothing............	155.3	157.3	157.8	−1.3	−1.6
Fuel[1]...............	94.3	93.3	92.5	+1.1	+1.9
Housefurnishings....	170.6	171.1	170.4	−0.3	+0.1
Sundries............	150.1	149.0	148.5	+0.7	+1.1
Weighted total....	191.2	189.5	183.7	+0.9	+4.1
New York					
Food...............	217.6	217.0	231.7	+0.3	−6.1
Housing	116.5	116.5	106.1	0	+9.8
Clothing............	152.4	152.5	152.4	−0.1	0
Fuel[1]...............	137.8	136.8	131.3	+0.7	+5.0
Housefurnishings....	161.1	161.1r	162.8	0	−1.0
Sundries............	181.6	180.9	175.3	+0.4	+3.6
Weighted total....	174.8	174.4	175.9	+0.2	−0.6
Philadelphia					
Food...............	227.0	223.1	229.3	+1.7	−1.0
Housing	117.7	117.7	117.7	0	0
Clothing............	141.9	142.4r	143.0	−0.4	−0.8
Fuel[1]...............	157.9	155.5	152.8	+1.5	+3.3
Housefurnishings....	175.2	175.0	179.4	+0.1	−2.3
Sundries............	186.1	183.4	177.1r	+1.5	+5.1
Weighted total....	182.5	180.3r	180.9r	+1.2	+0.9

: THE CONFERENCE BOARD.

[1] Includes electricity and gas.
a Less than 0.1%.

r Revised.

Consumers' Price Index for Ten United States Cities, and Purchasing Value of Dollar

Index Numbers, January, 1939 = 100

Date	Weighted Average of All Items	Food	Housing[1]	Clothing			Fuel[2]			House-furnishings	Sundries	Purchasing Value of the Dollar
				Total	Men's	Women's	Total	Electricity	Gas			
y...............	180.4	239.8	121.7	148.5	164.6	135.0	131.7	90.0	104.8	164.3	173.6	55.4
gust............	180.8	240.6	122.0	148.2	164.3	134.7	132.9	92.2	104.8	164.5	174.0	55.3
tember..........	179.9	237.7	122.1	148.4	163.7	135.5	133.7	92.2	104.8	164.5	174.0	55.6
ober............	179.8	236.5	122.7	148.1	163.8	134.8	135.3	92.2	104.6	163.6	174.4	55.6
vember..........	180.6	238.3	123.3	148.2	163.8	135.0	135.9	92.0	104.6	164.8	174.5	55.4
ember...........	179.3	233.2	124.1	148.2	163.8	135.0	137.6	92.0	104.6	164.7	175.0	55.8
ual average......	179.1	236.1	122.0	149.1	164.9	135.6	133.4	90.9	104.5	165.6	172.6	55.8
uary............	178.7	230.3	124.9r	148.2	163.8	135.1	138.1	92.0	105.3	162.7	176.1	56.0
ruary...........	177.3	225.2	125.7r	148.2	164.0	134.9	137.9	92.0	105.3	163.4	176.6	56.4
rch.............	177.7	225.6	125.8r	148.4	163.8	135.5	138.0	92.0	105.3	163.3	177.4	56.3
il..............	177.6	223.9	125.8	148.3	163.5	135.4	137.7	92.0	105.4	163.2	179.2	56.3
y...............	178.4	225.0	129.1	148.4	163.9	135.3	134.5	92.0	105.4	163.1	179.3	56.1
e...............	179.7	228.6	129.4	148.5r	164.0r	135.3	134.5	92.0	105.4	162.3	179.5	55.6
y...............	181.0	231.0	130.0	148.2	163.5	135.3	135.4	92.0	105.6	162.4	180.6	55.2
Percentage Changes												
3 to July 1953....	+0.7	+1.0	+0.5	−0.2	−0.3	0	+0.7	0	+0.2	+0.1	+0.6	−0.7
2 to July 1953....	+0.3	−3.7	+6.8	−0.2	−0.7	+0.2	+2.8	+2.2	+0.8	−1.2	+4.0	−0.4

Rents surveyed quarterly in individual cities.

[2] Includes electricity and gas

r Revised.

lion in July. This is an increase of almost .5 million over a year ago.

The Bureau of Labor Statistics reported that a highly favorable employment situation existed at the close of the Korean war. The number of workers in nonagricultural industries in mid-July totaled 49.4 million —an all-time high for the month. Unemployment, estimated at 1.5 million by the Census Bureau, was the lowest for any July since World War II.

Nonfarm employment in July was 2.3 million above a year earlier. Most of the gain was due to increased demand for goods and services in nearly every part of the nonfarm economy.

The number of nonfarm workers remained unchanged between June and July. Usually a small decline is reported at this time of the year because of vacations and other seasonal factors.

All except three major manufacturing industry groups showed gains in employment over the year. Those were the lumber and wood products industry, food, and the tobacco products industries.

Employment in contract construction rose by 90,000 between June and July. This is one of the largest monthly increases in recent years. The number of workers in this industry totaled 2.7 million in July, only 4% below the record July peak in 1951.

Employment in retail trade, estimated at 7.6 million, showed a slight decline from June. This decrease reflects the usual midsummer slackening in consumer buying. This total was still 200,000 above a year ago.

Over the year, total government employment was up by 100,000 as increased hiring by state and local governments outweighed cuts on the federal level.

EARNINGS

The Bureau of Labor Statistics reports that hourly earnings for factory production workers in July reached the record average of $1.77. This figure represents a gain of 21% in the three years of the Korean war. The average work week was 40.4 hours, a decrease of eighteen minutes from June.

All industries reported pay increases in this three-year period, but the defense-related groups such as ordnance, primary metals and instruments showed the largest gains. These are among the industries that had significant employment expansion over the same period.

Smallest gains in earnings were recorded in apparel, textiles, printing and publishing, and tobacco. Correspondingly, employment in these industries showed little net change over the last three years.

Average weekly earnings were $6.07, or 9%, higher than for July, 1952.

WAGE ADJUSTMENTS

Seventy-nine wage settlements involving fifty-nine firms and associations and over 285,000 workers were confirmed by The Conference Board in the midsummer period from July 15 to August 15. Most the sixty-one settlements with wage earners came new contracts were negotiated, although many creases resulted from wage reopenings in alrea existing agreements. A majority of the eighteen sett ments with salaried employees involved no uni while all the wage earners were organized.

Increases for wage earners varied from .5 c granted to some workers at the Ingersoll Produ Division of the Borg-Warner Corporation to 39 ce received by pattern makers and diesinkers with Ford Motor Company. The largest number of agr ments gave a 5-cent increase, although these do include the largest number of employees. One fi negotiated a new contract with no wage increase.

There were several major settlements. In transp tation equipment, the Ford Motor Company agreed include 19 cents of a cost of living allowance in base rate for 140,000 United Auto Workers; skil workers were granted increases of 10 cents and cents while fringe benefits were added or liberaliz The largest of several settlements in public utilit involved Consolidated Edison of New York, wh granted an 8-cent increase and more generous fri benefits to 24,600 workers. In machinery, the Wor ington Corporation settled with 4,100 steelworke machinists and electrical workers for an increase 7.5 cents, while 1,700 nonunion employees receive raise of $3 a week. The Kimberly-Clark Corporati made the largest of many settlements in the pa industry by granting a 4% increase to 1,747 employe

Seven New York brewers of the Brewers' Board Trade granted an increase of $6 a week, and in texti the Celanese Corporation of America granted an crease of 5 cents in three settlements.

Virginia Boschen
Grace Medvin
Judith Wishnia
Statistical Division

Retirement

(*Continued from page 328*)

companies to be flexible about retirement, and so are experimenting with an individualized approa to retirement. In a recent study of collectively b gained pension plans in New York state, betw 7% and 39% of persons eligible for retirement these plants had actually retired. The factors wh influenced the person to retire were (1) size of reti ment income compared to usual earnings, (2) number of women in the eligible-for-retirement gro (3) the age of normal retirement, and (4) the in employment opportunities in New York Ci particularly during 1950 and 1951.

The two most prevalent reasons given for reti ment under these plans were health and the spe

zards or requirements of the industry. For example, ysical strains, danger of handling sharp tools, and ntinuous standing were mentioned as reasons why ividuals withdrew from employment. In the ma- ity of companies with plans, no effort was made to ft older men to lighter work.

Another phase of the retirement problem is the ing policy. There is little question but that the roduction of a pension plan, with eligibility require- nts such as length of service or age, militates inst a free employment policy on the part of the npany. In Massachusetts, legislation has been ssed prohibiting discrimination in employment for rsons between the ages of forty-five and sixty-five. e interpretation given to that law by the Commis- n Against Discrimination prohibits an employer m compelling the discharge of any man before age of sixty-five.

Now my final point is the integration of public d private pension plans. In the recent controversies used by the injection into collective bargaining the pension issue and the provision of the Social curity Act, some measure of agreement appears have been reached on the respective goals of public d private industry systems, since it is obvious that SI can never provide more than a minimum re- ement income.

Private pension plans can provide the flexible sec- d layer in an integrated old-age security program. vate pension benefits can be determined by the ployee's needs and the economic conditions pecul- to that company and that industry. OASI was igned to provide a minimum benefit varying ac- ding to wage level and continuity of employment each individual.

A private pension plan with a flat-rate benefit in- sive of Social Security negates the basic policy the public retirement program. Though most of negotiated pension plans at the outset adopted the benefit, many unions are now seeking a restoration the variable benefit, with a guaranteed minimum. e need for the variable private pension benefit is vious, particularly for salaried employees. Also, h the rise in wage levels of the wage earning ele- nt in industry, it is important to provide a flexible nefit over and above the federal benefit.

In that connection, may I simply mention to you benefit schedules of four companies, indicating per cent of the total pay which is provided as a nefit under the private plan. Under the private n, a public utility company provides $52.50 for man with monthly earnings of $250, so with his SI benefits he receives $130, or 52% of his average ge of $250 per month.

A steel company pays a pension benefit of $22.50 for an individual with $250 monthly earnings. With OASI and the private plan, this amounts to $100 a month, or 40% of the average wage.

A chemical company pays $75 from the private pension plan, or a total with OASI of $152.50 a month —60% of the average wage. An electrical manufacturing company pays $60 from the private plan; the OASI benefit and the company benefit together amount to $137.50 a month or 54%. These figures are for wage earning groups; for salaried workers the percentage would be substantially less.

According to the best pension planners, the retirement benefit should be somewhere between 40% and 60% of the average earnings just before retirement. It is obvious that under these systems, the private plan needs to be a substantial supplement to the Old Age and Survivors Insurance benefits, in order to provide an adequate retirement income.

I have said nothing about such important matters as disability benefits, employment of older workers, and the cost of pensions, but I have an idea that private pensions will be here for quite a long time. And in the uncertain future which lies ahead, we will have plenty of opportunity to discuss additional issues in the private pension field.

Government Pensions and Retired Workers' Budgets

by Henry W. Steinhaus

TWO STUDIES have been made of a minimum budget for an aged couple. One was published originally in 1948 by the Social Security Administration and brought up to date from time to time, the latest figures being for October, 1950.[1] That study showed that an elderly couple could get along on something like $130 a month. This was disputed by another study, made for the city of Detroit, by the United Automobile Workers.[2] Admitting that the cost of living in Detroit is higher than the national average, the study showed a budget of $162 a month was needed for comparable items. Nevertheless, the majority of old-age pension beneficiaries have not even

[1] "A Budget for an Elderly Couple," Bureau Memorandum No. 67, Bureau of Research and Statistics, Social Security Administration, March, 1948; "Budget for an Elderly Couple; Estimated Cost, October, 1950," *Monthly Labor Review*, September, 1951, pp. 304-306.

[2] Testimony by Walter Reuther at the hearings before the Committee on Finance, United States Senate, on H.R. 6000, March 15, 1950. Including the cost of running a car for one third of the couples, and certain other adjustments, the total cost of the elderly couple's budget for Detroit in November, 1949, according to the UAW, came to $174 a month.

$125 a month to live on, as a recent survey showed.[3] Most of these couples in this survey indicated that they would not have been able to get along except for the fact that they owned their homes; and even then they had to tighten their belts. This furnishes us with the first clue to budget planning—the advantage of home ownership.

Much less cash is required for taxes, utilities and upkeep—less than half the amount usually required for rent. To purchase a home for occupancy after retirement is therefore highly recommended. This is not too difficult to achieve because payments for the mortgage are comparable to the rent payment. Furthermore, the interest part of the mortgage is deductible from income taxes. After the mortgage is paid up, the house represents a valuable asset for retirement, an inflation-proof, long-term investment that can be planned for and acquired over a long period of years. A sample study by the Census Bureau in 1950 indicates that this fact is generally appreciated since in nonfarm areas two thirds of the dwellings of families whose heads are sixty-five years of age or over are owner occupied, although not necessarily mortgage free.

The monthly rental for the type of apartment specified by the Federal Housing Authority and a committee of the Public Health Association to be suitable for an elderly couple ranges among thirty-four cities from a low of $38 in New Orleans to a high of $68 in Milwaukee, according to recent estimates by the National Industrial Conference Board. These amounts include the cost of electricity, heat, gas, and water. The average for the thirty-four cities is $52 a month.

While the roof over the head can be provided for in advance, practically nothing can be done in advance about food, the largest single item in the budget of the aged. The standard food budget, for which prices were secured, was a low-cost budget prepared by the Bureau of Human Nutrition and Home Economics of the Department of Agriculture. This budget, plus 10% for occasional meals out and occasional entertainment of children, requires an average of $68 a month, at current prices—an increase of 70% over the 1946 figure when the budget was first priced. Unless one acquires an interest in a grocery, a farm or a food processing plant, one needs hard cash for food.

The remaining items in the budget total $55 a month. These consist of $16.50 for household operation and furnishings; $10 for the cost and upkeep of clothing; $4.50 for personal care; $6 for transportation expenses, and $8 for recreation. There i also an allowance of $10 for medical care, an iten which is difficult to budget at present.

Members of the Blue Cross may under many plan continue coverage after retirement, at a cost of abou $6 a couple per month. They may even transfer i they move from one place to another. Insurance com panies are now permitting employers with grou plans to continue limited coverage to their retire employees. Persons representing the medical profes sion have estimated that about $10 a month woul be needed to budget medical care of an elderly coupl with limited means, and even this still requires acces to free clinics. The recent proposal for general healt insurance for beneficiaries of Social Security pension may not be the right solution either, because th experience in Saskatchewan shows a rate of som fifteen to twenty times the normal rate.

Medical care for the aged is a field in which a grea deal of work has to be done not only in the way o research, but in the form of cooperative undertakings Could we not organize an exchange for such thing as hearing aids, reading glasses, special chairs, crutche and other things used by the aged? As matters stan now, medical emergencies cannot be met by peopl in low-income brackets, and, as often as not, it i the food budget which takes the shock of medica indebtedness.

Altogether we now have a budget ranging over th country from $157 to $195 a month with an averag of $175 a month. If we make the assumption tha home ownership is of reasonable expectation, th average would be reduced to $149 a month, with a range from $138 to $161.

I do not believe that Social Security pensions shoul carry that whole load, but I think a case could b made for tying up cash benefits with such cash ex penditures as food and about half of the miscellaneou items that cannot be anticipated. This means tha Social Security benefits ought to average $95 pe couple per month. Under the current benefit structur an average wage of a little over $150 a month doe produce $95 income after retirement, nearly tw thirds of average pay. It therefore looks to me tha for future retirement of a couple both over sixty-fiv the current benefit scale will produce a Social Security pension large enough to meet the cash requirement of our budget, provided the cost of living remain stable. Where I do see a need for improvement, however, is in the field of research and education i budgetary planning for retirement.

The question is often raised whether an elderly couple receiving pensions from public and private sources could perhaps live more comfortably in some country other than the United States. I contacted our embassies in some forty countries and obtained additional information through the Allowance Branch

[3] "Resources of Aged Insurance Beneficiaries; 1951 National Survey," *Social Security Bulletin*, August, 1952, pp. 3-6; "Old-Age and Survivors Insurance Beneficiaries: Income in 1951," *Social Security Bulletin*, June, 1953, pp. 11-18.

State Department. I found only fourteen coun-
vith substantially lower living costs than in the
l States, that is, with a differential of more
10%.

comparison takes into account not only the
pattern of expenditures (other than rent), but
he cost of additional expenditures necessary to
ain the same standard of living. The comparison
out a remarkable fact. With the exception of
places in Mexico and South America (Para-
Bolivia, Argentina, Chile), the English-speaking
ries of the world (outside of Canada and the
a Isles themselves) represent the bulk of the
ries which would permit a better living on the
income. These are the British West Indies,
a Guiana, British Honduras, Union of South
, New Zealand, Australia and Ireland. I also
e in this category countries like Holland and
ark in which English is spoken fluently by prac-
the whole population that comes into contact
oreigners. One reason for lower costs in English-
ing countries is that the exchange rate of the
l to the dollar is favorable, an advantage that
be wiped out if the pound were to be returned
prewar ratio.

he pensions received must cover rent, too, the
e changes radically. Accommodations, where ob-
ble at all, are either expensive or inferior. If rent
be paid, only New Zealand and Denmark offer
hope for a better standard of living than the
d States. Sweden, Mexico and Switzerland would
re about $200 a month. About $250 a month is
d in most of the other countries.

Adjusting Employees to Retirement

by Wilma Donahue

IS FORTUNATELY no longer necessary to
reface a discussion of preparation for retirement
an argument in its defense. The positive values
tirement preparation have emerged from the
of academic speculation and are already begin-
to be translated into the practical sphere of
l and economic policy.

t although recognition of the need for inaugu-
g a retirement preparation program is expand-
and a few business and industrial organizations
demonstrating a willingness to add this new
nsion to their concept of employee service, the
ion remains: What constitutes a good program
eparation for retirement? What combination of
rials, methods, services and philosophy is necessary to enable the aging worker to prepare most successfully for retirement?

Though preparation has both financial and psychological aspects, I shall not deal with the former but leave it instead to someone more competent in the field of finance than I. I will merely insert the remark that financial planning is, anyway, almost a universal feature of company retirement programs.

The number of companies offering employees some form of psychological preparation for retirement is as yet limited. One example of the imbalance of financial and psychological provision was shown in a recent survey of seventy large corporations, of whom 69% provided financial benefits and only 37% offered some type of preretirement planning service.

In another survey, which was conducted among 2,100 members of the New York City Sales Executive Club, only 13% of the companies represented were reported to have done anything to help their older workers prepare for a comfortable retirement, although 94% of the companies believed that something of that nature should be done. Alongside of these data, there is a disconcerting flow of convincing evidence that psychological preparation of the individual is of as great—and often greater—importance as financial planning for insuring good adjustment in retirement.

As yet, there is little agreement on the requisite features of the "best" preparation program; therefore the plans already in operation must be considered to be largely experimental. From them, however, insights can be drawn to suggest answers to many questions that now puzzle personnel workers. Such questions are: What place have medical examinations and rehabilitation services in a preparation program? At what age should employees be introduced to preretirement planning? How intensive and how extended a program should be conducted? What program content is most appropriate? Should employees be able to participate in the program on company time? Should they be paid for participation, or should they be charged a fee for the program? Should the programs be conducted by company personnel, or should outside specialists be engaged to carry them out? What method will result in the greatest amount of carryover into the years after retirement? How should the spouse of an employee be included in the retirement planning? And how much responsibility should a company assume for preparing its employees for the post-retirement period?

At the University of Michigan, we have been conducting retirement-preparation programs for nearby business and industrial concerns. In general, our approach has been to design a series of weekly lectures and discussions focused upon areas in which older

people encounter their most serious problems. I should like to discuss two of the programs and point out some of the things we have learned from them.

Our first industrial program was conducted at the Detroit Edison Company, where an opportunity was offered to all employees fifty-five years of age or over and their wives to enroll in a lecture series called "Preparation for Retirement." An enrollment fee of $5 per person was charged. We planned a series of weekly meetings, each touching upon a different problem area, and brought in experts to present information and direct discussions. The topics included: "Biological Aspects of Aging," "Maintenance of Health," "Nutrition for the Later Years," "Psychological Aspects of Aging," "Mental Health in the Later Years," "Where To Live After Retirement," and "Use of Leisure Time."

The meetings began after the group had finished an evening meal together and lasted two hours. The first hour was spent in a rather formal presentation of facts, and the second hour was devoted to a question-and-answer period.

The enrollment included fifty men and thirty wives and was weighted with supervisory personnel. Considerable embarrassment was noticeable at the first meeting, but as the course progressed, attitudes changed gradually so that it would be no exaggeration to say that participation was enthusiastic. The personnel office reported that other employees expressed regret that they had been too busy, and were hoping the discussion series would become a yearly program so that they might enroll at a later date.

To determine the effect of the program on the employees, we asked them to fill out an evaluation questionnaire at the last class meeting. Their responses can be summarized as follows:

1. They agreed unanimously that the course would be profitable to others and should therefore be repeated.

2. Husbands and wives agreed, without exception, that both spouses should be allowed to enroll. For example, one man who had enrolled with his wife responded: "Emphatically, husbands and wives should attend together, because it provided us the necessary opportunity to talk over the problems of retirement—I had it in mind and so did my wife, but we had never really discussed the subject."

3. They did not consider all sessions to be of equal value. They ranked the discussions in the following order of importance: health, biological aspects, nutrition, psychology, finances, where to live, mental health, and use of leisure time. Topics they wanted most to have expanded were finances and living arrangements. There was almost unanimous agreement that none of the topics should be eliminated from the series. More than one third of the group sugg other topics to be added. These included: the p of view of retired men as told by them, family tionships and adjustments, religion, budgeting, postretirement employment opportunities.

4. Seventy-five per cent of the group report change in thinking about retirement. They learned the importance of retirement planning. attitudes toward growing old had changed apprehension to a belief that later maturity be a good period of life. New ideas had been g about such problems as where to live, worth hobbies, and the use of leisure time.

5. Forty-one per cent of the group reported cific steps they had taken as a result of attendin meetings. Such steps were: seeking a locatio a retirement home; buying a trailer and pla a year's retirement trip; looking for jobs which permit gradual retirement from work; trying to a small business for self-employment purposes; l ing to typewrite in order to have a new skill in finding employment after retirement; devel new hobbies; and changing a life insurance p

6. Ninety-three per cent of the group indi that one or more additional types of assistance be helpful in formulating postretirement prog They recommended that more meetings be held; more reference material for reading be made able to them; that opportunity for more discus in small groups be provided, and that individual c seling be offered. Other recommendations were periodic group meetings of older employees be and that the social aspects of the course be conti after its completion.

The other example I would like to describe i program of a small automotive parts company. rollment in this retirement preparation program restricted to hourly employees who would be f to retire within three months under a compu plan. No tuition fee was charged, and wives invited to enroll.

The enrollment was voluntary, but all nin of the eligible employees, ranging in age from s eight to seventy-four took part. Ten wives atte A series of eight weekly meetings was held. meetings opened at four p.m. with an informal cussion lasting an hour and fifteen minutes. Th free evening meal was provided in the company teria, and the meeting concluded afterward w short social program planned by a committee fo from the group membership.

A more informal method was employed with group than with the Detroit Edison employees. hourly workers had not been prepared for program, nor did they have much appreciatio what preparation for retirement means. The men been asked to come to the company cafeteria

heir wives along, for a nice, sociable time. The er of the plant introduced me by saying, "This Wilma Donahue from the University of Michi- That was the total preparation of those people person like me—I don't think they were dis- but I can assure you I was.

therefore moved very slowly in our discussions beginning and, finding that the retirement of most of the workers would be inadequate t their needs, we felt it necessary to examine ects of the retirement problem from a financial f view.

first meeting was devoted to arousing interest etching the background and goals of the pro- At the second meeting the process of aging e meaning of age changes were emphasized.

ne next two meetings, Social Security benefits, ny pension plans, old-age assistance and budg- vere considered. Then health was dealt with ne standpoint of saving money by keeping well, formation was provided on local health serv- nich could be obtained free or at a nominal ne session was devoted solely to a discussion to find a postretirement job. A discussion of time activities was presented, in which recrea- opportunities in the city and the costs of par- on were outlined.

adaptation of the program to the understand- terests, and needs of the hourly workers ed results not unlike those observed in the t Edison experiment. Again employees and vives profited from the program, and again es of apprehension toward retirement were ed. The company's personnel director was sur- that such results were obtained from this type loyee group. This experiment lends significant to the argument that educational programs aration for retirement, if worked out on a flex- sis, can be profitably participated in by aging s of all economic levels. Moreover, this chal- he viewpoint which I have occasionally encoun- nat higher educational institutions are unable to nicate practical concepts and advice to the e worker.

ough these examples indicate that much can omplished by industry through programs of ation for retirement, such programs can realize ttle in material and emotional return if the nity is not prepared to provide opportunities les for aging people. The best prepared worker tle chance of making an adequate adjustment rement if his community is hostile toward the and is without plans for his housing, employ- leisure-time activity and citizenship.

lieve, then, that programs that prepare for retirement require the team approach, with industry and the community integrating their interests and services.

Making the Best Use of the Older Worker

by Robert A. Kehoe, M. D.

AMERICAN BUSINESS and the American community as a whole need the best and wisest guidance which can be obtained in facing the social and economic problems of our time. To a very large extent, the solution of vital problems depends upon the quality of statesmanship that resides in business and industrial management. It is generally agreed that only time can provide mature experience and objectivity, and while it is evident that at some point along the way man's intellectual powers begin to deteriorate, the elder statesman, other things being not too unequal, is better equipped in judgment than is his junior. From this viewpoint, I am convinced that the present policy, so widespread in American industry, of retiring executives at age sixty-five is grossly wasteful and unmindful of the public interest.

There are other sound economic reasons for a prompt reconsideration of this matter. A glance at the composition of our population, with respect to its age distribution, demonstrates that we have a large and increasing proportion of persons in the older groups. Considering the total number of persons in our entire population who are dependent on others for their living, this increasingly elderly segment becomes more and more an unproductive burden on the national economy.

None of us would object to the retirement of those who have wearied themselves with hard work, whether they continue to live on the fruits of their own previous efforts or are provided for by family, friends or the state. But, as we have indicated previously, many of those who are retired automatically by the conventional procedure of industry are in full possession of their manual skills or intellectual powers. Many of them have achieved a physiological economy in the performance of their tasks that provides an effective substitute for the ebullient excess of youthful vigor which once was theirs. It is unlikely that there was ever a time in our history when we could less afford the waste and the dissipation of effort associated with the unnecessary loss of these capabilities, not to mention the unnecessary burden of supporting unproductive people.

In terms of human happiness, too, the deficit created by unnecessary retirement is significant. It is

greatly to be doubted, despite all of the discussion that has gathered around the subject of emotional preparation for retirement, that more than a chosen and fortunate few find any real satisfaction in their withdrawal from the day's work. For the large proportion of people, especially those who have kept pace with the American tempo, there is no equivalent for work as a source of satisfaction and achievement. Work, for most people, is, as it should be, the stable base of a lifetime of habit and responsible effort, the point of application of their principal skills and accomplishments, the area of their chief usefulness and recognition, around which are grouped, in intimate relationship, other attributes of their external and internal life. The aging process often brings with it the spirit of acceptance, but this is not wholly a matter of chronology, and the person who, ripe in years, is not obviously on the downgrade in capacity and energy finds only frustration in devoting his efforts to matters which lack significance in his own mind. If he can take up other work which is worthy of his capacities, there is no disruption of life and there may well be an even greater sense of fulfillment in the change. Few, it seems, are so fortunate, so versatile or so possessed of foresight as to find themselves in such a position.

Perhaps enough has been said to justify the conclusion that the enforced retirement of industrial employees at a specific and unduly low chronologic age is unwise. What then is to be done about it in view of the organizational and economic arrangements that have been built around this policy in recent years? And what is the role of the industrial physician or the industrial medical department in effecting a change or an adjustment to such change? In principle, the matter is not too difficult, but the details of policy and procedure are not so simple and will require the careful consideration of both physicians and industrial managers. These comments are made in the hope that such consideration will be given to the matter without undue delay.

One of the primary responsibilities of the industrial physician is to make a realistic appraisal of the capacities of the employee and, so far as it is possible, to put him into a job for which he is best suited. The application of the principles of preventive medicine require that this be done on a background of technical competence, common sense and human understanding, and that the test of experience be applied to determine the soundness of the judgment arrived at. As an adjunct to this responsibility, medical supervision of the working population of an industry—managers, technicians and common laborers alike—involves the best possible maintenance of the health and productivity of the individuals and the group. Parenthetically, let us humbly recognize that we a expressing an ideal, the achievement of which beyond the present knowledge and skill of the indu trial physician, and generally outside the range vision of industrial management. The goal lies that direction, however, and social and econom considerations alike demand progress toward its a complishment through methods which will not low the dignity of the individual employee nor violate t best traditions of professional practice.

In evidence of the trend, the increasing recogniti of the role of adequate preemployment and period examinations of industrial personnel may be cite It is accepted that the discovery of physical defe or of early manifestations of disease often results shielding the individual from the hazards of the wor ing environment and in prolonging his life, produ tivity and economic independence. By this san procedure the risks and undue stresses of a job, whi may be associated with the aging process in t employee, can often be limited effectively. It is n at all visionary to claim that the adjustment of t requirements of the job to the changing and declini capacities of the individual can often be accomplish in a manner that is satisfactory to that individu while serving the purposes of economical productio

Adjustments are required, and these are sometim difficult to make. The executive who is relieved some of his active responsibilities and is called up only for advice on matters in which his judgment invaluable rather than for the execution of the poli he advocates may feel that he has been demoted removed from the field of activity. The fact remai that he can often perform a service which cannot performed by others, and if the true worth of t advisory role of the elder statesman in industry we recognized generally, the procedure required formalize such status would be accepted as an hon and not as a step in a process of elimination.

The same is true of the highly trained and co petent technical man who is so obviously the k man in a technological society. The loss of such man before it is necessary is little short of tragic its consequences to industry. The same policy whi requires such a man to select and train a success may well provide for his remaining on the job as advisor or as one who knows so well, in so ma instances, how best to pave the way for the successf work of his junior associates. It is necessary and rig that the full mantle of responsibility should be pass on to younger men who can reach the full flower their intellectual and productive maturity on through the assumption of responsibility. Howeve this can be done while retaining the wise counsel of t older men, whether these continue in the role of co

nts or in some other functional capacity. e skilled workman often provides a special prob- since it is often the case that his entire life is ped up in his special skill. Here also some ingenu- nd flexibility of mind on the part of those con- d with medical and personnel affairs may result acing such a man in a job in which his skill can nployed, thereby enabling him to work produc- y and so maintain his income and his self-respect.

this discussion, no attempt has been made to for charity for the aging or partially disabled oyee. Rather, without ignoring humane consider- s which are by no means insignificant in the er, we have concerned ourselves with the means voiding the present wasteful loss of manpower, an skill, and the best fruits of experience. There nowever, somewhat less obvious but well demon- ed advantages to be gained by a policy of main- ng in employment persons who are handicapped rious ways, including the aged, whose capacities can be put to work productively. The man who otherwise may be discarded is usually deeply appreciative of the opportunity to work, to use and demonstrate his abilities, to support himself and his family in independence and self-respect. He is a stable and responsible employee who recognizes his part in a productive society. He may suffer illness from time to time, perhaps more frequently than his juniors, but he will work when he can and as well as he can, and as safely as he can.

In final and brief summary, it may be said that the problem of making the best use of the aging employee in all levels of industrial activity is that of adjusting his work to his capacity. To this end there is increasing use made of the facilities of the modern industrial organization as these are represented in the medical department and the department of industrial relations. It is our profound conviction that the body of useful manpower and brainpower that is represented in the older employees should be maintained at work.

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lustrial Medicine

(*Continued from page 330*)

ors were shown a colored motion picture which nts the company's operations—manufacturing distribution, etc.

a result of this meeting and because of the nal program being furthered by the industrial cine groups and the private practitioners' society, are now being discussed in Philadelphia to form al committee of the two groups to work out some of program for a reciprocal relationship.

OTHER PHASES OF THE PROGRAM

tting doctors into the plant and better acquainted industrial medicine problems is only one phase e program which the joint education committee rthering. Another aspect is concerned with en- aging medical schools to provide seminars on the ct of industrial health. To arouse the interest of nedical schools, the joint committee sent a letter h outlined the general program to deans of many ese schools. The letter included this paragraph:

Since your medical school is now offering graduate ning in industrial medicine we wonder if it would be ible and worthwhile for you to offer one-to-three-day posiums covering industrial medicine as seen by the eral practitioner. We believe that such a program nsored both by your school and the state committee on education of the American Academy of General Practice will get excellent results—especially if publicized in sufficient time and in an adequate manner. Dr. ————, state chairman of the commission on education, and members of the national commission on education shown on attached list are available should you need further advice or assistance. We are most anxious to help the general practitioner do a better job."

The first answer to this request was a two-day seminar which the Harvard School of Public Health sponsored last spring.

Since part of the ordinary program of the American Academy of General Practice requires members to earn a certain number of points in postgraduate work, it is expected that such courses offered by medical schools may become accredited to members for some of their postgraduate work points. It is urged, too, that academy seminars and other approved postgraduate education activities be expanded to include industrial medicine subject matter. If this is done, the plant tours can be included along with local round table conferences, formal treatises, etc. which are concerned with industrial medicine.

Another aspect of the joint education committee program is that of attaining cooperation of the local chapters of the American Academy of General Practice. Letters have been sent to presidents of state groups calling attention to the program and urging them to further it. To stimulate local chapter interest, a section of the program for the academy's annual meeting last spring was devoted to industrial medicine.

Doris M. Thompson
Division of Personnel Administration

Group Life Insurance

(*Continued from page 321*)

EXTENDED DEATH BENEFITS

All of the plans specify that if death occurs within thirty-one days after termination of employment, the insurance is payable to the beneficiary.

Although payment of the death benefit in installments to totally and permanently disabled employees has fallen out of favor with insurance companies because of unsatisfactory experience, this provision still exists, and is found in nearly a third of the plans. Somewhat more than a third contain the waiver-of-premium feature. Under this arrangement, the life insurance remains in force and contributions cease if the employee is totally and permanently disabled before the age of sixty.

Another type of extended death benefit applies to employees who are disabled before age sixty-five. Under this feature, the benefit is paid only if death occurs within a year after termination of employment because of disability, or, if the employee has been insured less than a year, within a period equal to that during which he was insured. This provision is found in only six of the sixty-nine plans. Ten booklets do not specify what happens to the employee's group life insurance in the case of total and permanent disability. Total and permanent disability plans separate from the group life plans are described in three of the booklets.

Most of the booklets are not specific about how long the employee's insurance is kept in fo during leaves of absence or temporary layoffs. S plans state that the insurance is cancelled immediat when a layoff occurs. Twenty plans permit the e ployee to maintain his insurance after a layoff. Amo these, the maximum period ranges from one mon to eighteen months, with three months being t period most frequently found.

Eleven of the plans permit the employee to mai tain his insurance for the duration of a leave absence. Twenty-one plans limit this period, mo often to three, six, or twelve months. Only one pl stipulates that the insurance shall be cancelled i mediately. Half of the booklets do not mention leav of absence.

Table 5: Maximum Amount of Group Life Insurance Under Graduated Plans

Maximum Group Life Insurance	Number of Companies
$ 2,000	1
5,000	1
5,500	1
6,000	1
7,000	1
10,000	7
11,000	1
13,000	1
15,000	1
16,000	1
20,000	15
21,000	2
25,000	2
30,000	1
37,500	1
40,000	5
45,000	1
50,000	3
63,000	1
70,000	1
80,000	2
100,000	4
Total companies replying	54

LIFE INSURANCE FOR RETIRED EMPLOYEES

The proportion of companies that provide dea benefits for pensioners has apparently not chang

Table 6: Continuation of Group Life Insurance for Retired Employees

Disposition of Group Life Insurance	Number of Compan
Discontinued or unspecified	26[a]
Continued unchanged	9[b]
Amount reduced	30[c]
Basic insurance reduced, supplemental continued in full	1
Noncontributory insurance reduced; contributory insurance continued in full	1
Insurance canceled but company pays a reduced death benefit	2
Total plans	69

[a] In one company, if the employee has less than $1,000 of paid insurance the company will provide enough free term insurance to bri the total to $1,000. Another company continues the full amount of insu ance for employees hired before 4-30-46.
[b] In one company, insurance in excess of $7,500 is discontinued.
[c] One company continues insurance for wage earners but not f salaried employees; another company continues insurance for exem salaried employees only.

Table 7: Company Policies on Employee Contributions After Retirement

Employee Contributions	Number of Companies: Group Insurance Continued Unchanged	Group Insuranc Decrease
No contributions from either active or retired employees	1	6[a]
Contributions from active employees; no contributions from retired employees	1[b]	20
Retired employees' contributions increased		5[c]
Retired employees contribute on same basis as active employees	1	5[d]
Total plans	3	36

[a] In one company, employees pay 60 cents per $1,000 for insurance excess of $20,000.
[b] Insurance reduced to $7,500 if over that amount.
[c] In one company, applies to salaried employees only; retired hour employees contribute on same basis as active employees.
[d] In one company, applies to hourly employees only; salaried employee insurance discontinued.

Table 8: Company Policies on Reducing Life Insurance Upon Retirement[1]

...nt of Insurance Reduced to	Number of Companies
...amount	
...500	1
...000	7[a]
...250	1
...000	1
...percentage	
...00, plus 25% of insurance in excess of $1,000	1
... 8%; $1,000 minimum	1[b]
...	4[c]
... 8% if age 50 on 1/1/40; 33 1/3% for other employees	1
... 5%	4
...% if attains age 65 in 1953; 65% if in 1954; 55% if in 1955; 45% if in 1956; 35% if in 1957; 25% if in 1958 or later	1
...ced by percentage each year; to final amount of:	
5% ... 50%	1
8.3% ... 50%; $1,500 min.	1[d]
10% ... 50%	4
20% ... 20%; $1,500 min.	1
20% ... $1,000	1
20% ... $1,500	1
...nds on length of service or participation in insurance ...	8
...nds on length of service and participation in pension ...	2
...nds on length of service and earnings	1
...nds on earnings	1
...nds on retirement income	6[e]
Total plans	86

...n companies reduce life insurance at normal retirement age regardless of whether the employee retires at that time.
... one company, applies to wage earners only; salaried employees' ...ance is discontinued upon retirement.
...plies to exempt salaried employees only; other employees' insur...e is discontinued upon retirement.
... three companies, $1,000 minimum; in one company, $5,000 max...
... In one company, noncontributory insurance is reduced to amount ... annual retirement income.
...plies to contributory insurance only; noncontributory insurance is ... $250 each year to $1,500 minimum.
... one company the schedule is the same for active and for retired ...ees; in the other company the pensioner's insurance is half the ...t for which an active employee with the same income is insured.

...h since the Board's survey in 1949. At that time ...t 57% continued some insurance; among the ...-nine plans analyzed in 1953 a slightly larger ...entage (about 62%) maintain some sort of death ...fit for pensioners. (See Table 6.)

... the current survey, as compared with 1949, a ...h larger proportion of the companies which main... death benefits for retired employees reduce the ...unts of these benefits—about 93% as compared ... about 58% in the 1949 survey. This is probably ... to the generally higher amounts of insurance ...ided for active employees under today's plans, ... the tremendously high cost of maintaining these ...unts in full for people who are living longer than ... before in history.

...he question of cost brings up the question of con...tions from the retired employee. Should the ...sioner contribute on the same basis as the active ...loyee? Should his contributions be increased, in order to help meet the higher cost of his insurance? Or should the retired employee, living on a reduced income, pay anything at all toward his insurance? Some companies believe that the small proportion of the total cost which pensioners can reasonably be expected to contribute is not worth the administrative expense and effort of collecting it. Table 7 shows the varying company policies on this question of contributions from pensioners.

Other important questions are: Should all retired employees receive the same death benefit? Or should the amount of the benefit be computed on the basis of final earnings, length of service, retirement income, or a combination of these and other factors? Should the death benefit be reduced all at once on the employee's retirement date? Or should it be reduced gradually, by a certain amount each year? Table 8 shows the various formulas which the companies have adopted in answer to these questions.

LOIS E. FORDE
Division of Personnel Administration

Management Book Shelf

Human Relations—This small booklet, containing many anecdotes, describes the contributions that good human relations can make in a business organization today. It discusses such subjects as building employee satisfaction, management's attitude, group participation, counseling, and employee communication. *By Lois Perry, published by Small Defense Plants Administration. Available from Supt. of Documents, United States Government Printing Office, Washington 25, D.C., 1953, 58 pp. 25 cents.*

Legal Aspects of Noise in Industry—This bulletin is a record of transactions of a panel discussion on legal aspects of noise in industry. The discussion was a feature of the seventeenth annual meeting of the Industrial Hygiene Foundation of America. The three subjects covered include: "The Hearing Loss Problem in Wisconsin," "A Lawyer's View of the Industrial Noise Problem," and "Occupational Loss of Hearing." *Transactions Bulletin No. 24, Industrial Hygiene Foundation of America, 4400 Fifth Avenue, Pittsburgh 13, Pa., 1953, $2.*

Changes to Make in Taft-Hartley—Part I deals with the T-H Act's history. Part II makes a section-by-section analysis of the act. It probes the record of complaints, hearings, investigations, findings, intermediate and final conclusions of the National Labor Relations Board, and decisions by the courts to find out what happened under the Taft-Hartley Act to the rights of employees, employers, unions and the public. The book sets forth detailed recommendations to Congress on amending the act. *By Theodore R. Iserman, The Dealers Digest Publishing Co., Inc., 150 Broadway, New York, 154 pp. $5.*

Significant Labor Statistics

Item	Unit	1953 July	1953 June	1953 May	1953 Apr.	1953 Mar.	1953 Feb.	1952 Jan.	Year Ago	Percentage Ch[ange] Latest Month over Previous Month
Consumer Price Indexes										
(*NICB*) All Items	Jan. 1939=100	182.2	181.2	180.1	179.4	179.5	179.0	180.4	182.1	+0.6
Food (a)	Jan. 1939=100	233.2	231.3	228.5	*r* 227.4	*o* 229.1	*m* 228.7	233.2	243.2	+0.8
Housing	Jan. 1939=100	131.7	*r* 131.3	131.0	128.9	128.9	128.8	128.2	125.2	+0.3
Clothing	Jan. 1939=100	150.8	150.9	150.8	150.7	150.8	150.6	150.6	150.7	−0.1
Men's	Jan. 1939=100	167.7	167.9	167.8	167.4	167.5	167.7	167.4	168.2	−0.1
Women's	Jan. 1939=100	136.4	*r* 136.4	136.4	136.4	136.6	136.1	136.3	135.9	0
Fuel	Jan. 1939=100	138.8	138.4	138.5	140.7	140.9	140.8	141.1	134.8	+0.3
Electricity	Jan. 1939=100	93.4	93.4	93.4	93.4	93.4	93.4	93.4	91.3	0
Gas	Jan. 1939=100	104.4	*r* 104.2	*r* 104.2	*r* 104.2	104.0	103.8	103.9	102.8	+0.2
Housefurnishings	Jan. 1939=100	164.0	*r* 164.0	164.5	*r* 164.5	164.7	164.6	163.7	164.8	0
Sundries	Jan. 1939=100	179.5	178.5	178.1	*r* 177.8	175.9	175.0	174.9	172.5	+0.6
Purchasing value of the dollar	Jan. 1939 dollars	54.9	55.2	55.5	55.7	55.7	55.9	55.4	54.9	−0.5
(*BLS*) All Items	1947–1949=100	114.7	114.5	114.0	113.7	113.6	113.4	113.9	114.1	+0.2
Old Series	1935–1939=100		*a* 190.9	*a* 188.8	*a* 188.3	*a* 188.8	*a* 188.6	*a* 190.3	*a* 192.4	
Employment Status [2]										
Civilian labor force	thousands	64,668	64,734	62,964	62,810	63,134	62,712	62,416	64,176	−0.1
Employed	thousands	63,120	63,172	61,658	61,228	61,460	60,924	60,524	62,234	−0.1
Agriculture	thousands	7,628	7,926	6,390	6,070	5,720	5,366	5,452	7,598	−3.8
Nonagricultural industries	thousands	55,492	55,246	55,268	55,158	55,740	55,558	55,072	54,636	+0.4
Unemployed	thousands	1,548	1,562	1,306	1,582	1,674	1,788	1,892	1,942	−0.9
Wage Earners [1]										
Employees in nonagr'l establishm'ts	thousands	*p* 49,371	*r* 49,372	*r* 49,039	*r* 48,860	48,685	48,369	48,382	47,078	*n*
Manufacturing	thousands	*p* 17,125	*r* 17,155	*r* 17,050	*r* 17,077	17,135	17,013	16,884	15,402	−0.2
Mining	thousands	*p* 828	*r* 837	*r* 831	*r* 835	846	856	866	784	−1.1
Construction	thousands	*p* 2,676	*r* 2,584	*r* 2,492	*r* 2,416	2,301	2,280	2,303	2,751	+3.6
Transportation and public utilities	thousands	*p* 4,345	*r* 4,312	*r* 4,280	*r* 4,244	4,235	4,210	4,210	4,198	+0.8
Trade	thousands	*p* 10,349	*r* 10,401	*r* 10,337	*r* 10,314	10,284	10,214	10,283	10,108	−0.5
Finance	thousands	*p* 2,075	*r* 2,050	2,026	*r* 2,014	1,993	1,977	1,969	1,997	+1.2
Service	thousands	*p* 5,413	*r* 5,395	*r* 5,354	*r* 5,307	5,225	5,194	5,192	5,382	+0.3
Government	thousands	*p* 6,560	*r* 6,638	6,669	6,653	6,666	6,625	6,675	6,456	−1.2
Production and related workers in manuf'g										
Employment										
All manufacturing	thousands	*p* 13,731	*r* 13,788	*r* 13,717	*r* 13,758	13,831	13,733	13,619	12,229	−0.4
Durable	thousands	*p* 8,105	*r* 8,199	*r* 8,198	*r* 8,215	8,211	8,115	8,020	6,748	−1.1
Nondurable	thousands	*p* 5,626	*r* 5,589	*r* 5,519	*r* 5,543	5,620	5,618	5,599	5,481	+0.7
Average weekly hours										
All manufacturing	number	*p* 40.4	40.7	40.7	40.8	41.1	40.9	41.0	39.9	−0.7
Durable	number	*p* 41.0	*r* 41.4	41.5	41.6	41.9	41.7	41.8	40.2	−1.0
Nondurable	number	*p* 39.5	39.6	39.5	39.5	40.0	39.8	39.8	39.4	−0.3
Average hourly earnings										
All manufacturing	dollars	*p* 1.77	*r* 1.76	1.76	1.75	1.75	1.74	1.74	1.64	+0.6
Durable	dollars	*p* 1.88	1.87	1.86	*r* 1.86	1.85	1.85	1.84	1.73	+0.5
Nondurable	dollars	*p* 1.61	1.60	1.60	1.59	1.59	1.58	1.58	1.54	+0.6
Average weekly earnings										
All manufacturing	dollars	*p* 71.51	*r* 71.63	71.63	71.40	71.98	71.17	71.34	65.44	−0.2
Durable	dollars	*p* 77.08	*r* 77.42	77.19	*r* 77.38	77.52	77.15	76.91	69.55	−0.4
Nondurable	dollars	*p* 63.60	63.36	63.20	62.81	63.60	62.88	62.88	60.68	+0.4
Straight time hourly earnings										
All manufacturing	dollars	*e* 1.72	*r* 1.70	1.70	1.69	1.68	1.68	1.67	1.60	+1.2
Durable	dollars	*e* 1.81	1.80	1.79	*r* 1.79	1.77	1.77	1.76	1.68	+0.6
Nondurable	dollars	*e* 1.57	1.56	1.56	1.55	1.54	1.54	1.53	1.51	+0.6
Turnover rates in manufacturing [1]										
Separations	per 100 employees	*p* 4.4	4.2	4.4	4.3	4.1	3.6	3.8	5.0	+4.8
Quits	per 100 employees	*p* 2.6	*r* 2.6	2.7	2.7	2.5	2.2	2.1	2.2	0
Discharges	per 100 employees	*p* 0.4	0.4	0.4	0.4	0.4	0.4	0.3	0.3	0
Layoffs	per 100 employees	*p* 1.2	*r* 0.9	1.0	0.9	0.8	0.8	0.9	2.2	+33.3
Accessions	per 100 employees	*p* 4.0	5.1	4.1	4.3	4.3	4.2	4.4	4.4	−21.6

[1] Bureau of Labor Statistics
[2] Bureau of the Census

m Based on food prices for February 12, 1953
n Less than .05
e Estimated

p Preliminary
r Revised
a Food priced during the week of the fift

Wage Adjustments Announced Prior to August 15, 1953

Company	Type of Worker[1]	Increase: Average Amount	Increase: Date Effective	Increase: Approximate Number Affected	Remarks
e Woven Belting Company, Inc. ffalo, N. Y.	WE	$.10 hr.	3-15-53	200	Raise granted in new 3-year contract with provision for wage reopening after 1 year. Last settlement became effective September, 1951. (Textile Workers, CIO)
cin Corporation ckensack, Suffern, N. J.	WE	$.05 hr.	1-1-53	250	(ILGWU, AFL)
ts' and Children's Coat Association, Inc. Y., N. Y.	WE	$5 wk.	7-6-53	14,000	Increase, granted through wage reopening under escalator clause in contract running from November 8, 1950 to May 31, 1954, is for week-work employees. Piece-work employees will receive approximately the same amount with some variations. (ILGWU, AFL)
hants Ladies Garment Association Y., N. Y.	WE	$5 wk.	7-6-53	40,000	Wage reopening under escalator clause allowed increase in contract running from June 1, 1951 to May 31, 1954. A 5% increase in BLS index provides for future reopenings. (ILGWU, AFL)
als and Allied Products					
eye Cotton Oil Company mphis, Tenn.	WE	$.07 hr.	See Remarks	540	New 2-year contract provides for increase of $.025 retroactive to December 14, 1952 and $.045 retroactive to September 28, 1952. Previous average hourly wage was $1.03 effective September 28, 1951. Contract can be reopened on September 28, 1953 and September 28, 1954 for wage settlements. (DPOWA, CIO)
er Electrochemical Company coma, Wash.	WE	See Remarks	12-1-52	160	Raise was composed of a $.04 cost-of-living increase and an additional 3% which averaged $.0598 for a total of $.0998 and came as a result of a wage reopening of a contract running from December 1, 1950 to November 30, 1955. Previous average hourly rate was $1.967 effective December 2, 1951. (Chemical Workers, AFL; Operating Engineers, AFL)
Brothers Company erstate	WE	$.045 hr.	3-16-53	2,000	Firm granted raise after expiration of old contract. The increases varied from $.04 to $.08 with an average of about $.045. Previous average hourly rate was $1.92 effective March 16, 1952. Eligibility for 2 weeks' vacation reduced from 3 years to 2 years. Shift premium rates increased from $.06 to $.12. Tenure of contract is 1 year. (Chemical Workers, AFL)
	S	See Remarks	3-16-53	3,000	Increases range from $1.80 to $3.20 per week in addition to a cost-of-living allowance of $9.20 which was incorporated into the base rates. (No union)
al Machinery, Equipment pplies					
fer Brothers Company oria, Ill.	WE	See Remarks	1-19-53	1,200	Wage reopener provided for an increase of $.04 for incentive workers and 5% for all nonincentive workers. Company to pay 50% of group insurance program costs. Previous average hourly rate was $1.79 effective January 18, 1952. Contract runs to January 18, 1955 with provision for wage reopening on January 18, 1954. (UE, ind.)
Electric & Manufacturing ompany nsfield, Ohio	WE	$.05 hr.	3-3-53	300	Firm granted increase after expiration of old contract. Previous average hourly rate was $1.65 effective November 5, 1952. (IUE, CIO)
	S	$.05 hr.	3-3-53	100	(No union)
man Electric Company City, Mich.	WE	$.08 hr.	3-9-53	550	New contract provides for wage increase and $.07 in fringe benefits distributed as follows: $.046 for increased group insurance (disability plan provides for $25 a week for 26 weeks, 6 weeks maternity benefit, Blue Cross-Blue Shield coverage for employees and dependents); $.018 for increased vacation benefits, adding third week of vacation for 15-year employees and providing for payment of accrued vacation pay when employees leave; $.005 for increasing night shift premium from $.07 to 5%. Cost not estimated for payment of 40 hours' pay to employees with 1-3 years service entering the armed forces, 80 hours pay to employees with more than 3 years service, and new provision for double time after ten hours in any one work day. Last contract was dated December 8, 1950 with an average hourly rate of $1.75. New contract runs to March 9, 1955, with a reopening possible after March 9, 1954. (UAW, CIO)

Wage Adjustments Announced Prior to August 15, 1953—Continued

Company	Type of Worker[1]	Increase: Average Amount	Increase: Date Effective	Increase: Approximate Number Affected	Remarks
	S	See Remarks	3-1-53	100	Increase varied but generally amounted to 10% rounded off t the next higher multiple of $5. (No union)
Line Material Company, East Stroudsburg, Pa., Division of McGraw Electric Company	WE	$.06 hr.	7-1-53	250	Increase granted after expiration of contract and replaced prev ous agreement of July 1, 1952. Vacation policy liberalized t 3 weeks for 15 years of service and a new profit-sharing pla was installed. Tenure of contract is 1 year. (IAM, AFL)
Fabricated Metals					
Borg-Warner Corporation, Chicago, Ill., Ingersoll Products Division	WE	See Remarks	2-9-53	142	A total of 132 workers received increases ranging from $.005 t $.065; 10 apprentices received increases ranging from $.005 t $.235 in an agreement with the newly elected bargaining repr sentative for the maintenance and machine shop. The shop wa previously represented by the United Farm Equipment & Met Workers. The contract will last until February 9, 1955 with reopening possible after February 9, 1954. (IAM, AFL)
Food and Kindred Products					
Adolph Coors Company, Golden, Colo.	WE	$.20 hr.	3-1-53	353	Raise granted upon expiration of old contract. New 2-year co tract provides for $.07 an hour more in insurance, $.05 seve ance pay, time and one half for Saturday and Sunday and a automatic $.10 increase for all union members effective Marc 1, 1954. Previous average hourly rate was $1.68. (Brewe Workers, CIO)
	S	8%	3-1-53	100	(No union)
Brewers Board of Trade (Seven Companies), N. Y., N. Y.	WE	$6 wk.	6-1-53	6,000	Wage reopening of a 2-year contract dating from June 1, 19 brought increase, and 3 weeks' vacation after five years' servic (Brewery Workers, CIO)
Fleischmann Malting Company, Minneapolis, Minn.	WE	$.08 hr.	11-1-52	105	Company granted increase after wage reopening. Last previo agreement became effective November 1, 1951 when the averag hourly rate was $2.0195 for CIO members and $2.0967 for AF members. Increased personal and dependent hospitalization an surgical benefits effective September 18 and 19, 1952 were al granted. (Brewery Workers, CIO; Operating Engineers, AFI
General Mills, Inc. Los Angeles, Cal.	WE	$.065 hr.	7-1-53	100	(Grain Millers, AFL)
Ogden, Utah	WE	See Remarks	See Remarks	100	Increase totals $.065; $.04 effective April 3, 1953 and $.0 effective September 1, 1953. (Grain Millers, AFL)
Spokane, Wash.	WE	See Remarks	See Remarks	115	Increase totals $.065 with $.04 effective February 9, 1953 an $.025 effective July 1, 1953. (Grain Millers, AFL)
Tacoma, Wash.	WE	See Remarks	See Remarks	205	Total increase is $.065; $.04 effective on February 9, 1953 a $.025 effective July 1, 1953. (Grain Millers, AFL)
Machinery (Except Electrical)					
Huebsch Manufacturing Company, Milwaukee, Wis.	WE	$.045 hr.	2-16-53	181	Increases, granted after expiration of old contract, varied fro $.03 to $.10 with an average hourly rate of $.045. Fringe ben fits included 3 weeks' vacation for 15 year employees an health and accident insurance of $26 for 26 weeks. New co tract runs for 18 months with reopening possible once aft November 15, 1953. Previous average hourly rate was $1.8 effective February 16, 1952. (IAM, AFL)
Toledo Scale Company, Toledo, Ohio	WE	$.07 hr.	2-16-53	663	Raise granted upon expiration of old contract. Pension increas from $100 to $117.50 per month including Social Security aft 20 years. Third week of vacation granted after 15 years inste of previous 25 years. Tenure of contract is 1 year and ther after until terminated by 60 days' notice. One wage reopenin is possible after August 16, 1953. Previous average hourly ra was $1.92 (including piece-work) effective March 12, 195 (UAW, CIO)
	S	$12 mo.	2-16-53	157	Same as above except for previous wage which is not availab for salaried employees. (UAW, CIO)
Worthington Corporation, Harrison, N. J.	WE	$.075 hr.	6-1-53	4,100	Previous agreement effective February 1, 1952. (Steelworke CIO; IAM, AFL; UE, ind.)
	S	$3 wk.	6-1-53	1,700	(No union)

Wage Adjustments Announced Prior to August 15, 1953—Continued

Company	Type of Worker[1]	Increase: Average Amount	Increase: Date Effective	Increase: Approximate Number Affected	Remarks
and Allied Products					
Brothers .... oblesville, Ind.	WE	$.035 hr.	2-4-53	135	Increase granted after expiration of old contract. Last settlement became effective February 4, 1952. New contract runs to February 4, 1954. (United Paperworkers, CIO)
bined Locks Paper Company ... ombined Locks, Wis.	WE	$.03 hr.	4-20-53	435	Wage reopening of a 1-year contract which became effective August 25, 1952, brought increase. Previous average hourly wage (straight time) was $1.473. (Int'l Bro. Paper Makers, AFL; Pulp, Sulphite and Paper Mill Workers, AFL)
anaba Paper Company .... scanaba, Mich.	WE	$.06 hr.	6-1-53	390	New 1-year contract granted increase. Night shift differential was raised. Last previous settlement was dated December 8, 1952 and the new contract has a provision for 1 wage reopening. (Pulp, Sulphite and Paper Mill Workers, AFL; Int'l Bro. Paper Makers, AFL)
berly-Clark Corporation .... eenah, Wis.	WE	$.07 hr.	6-1-53	1,747	A general increase of 4% ranging from $.06 to $.09 with an average of $.07 was granted upon renewal of contract. Four weeks' vacation was also granted for employees with 25 years of service. Previous average hourly rate was $1.613 effective September 26, 1952. New agreement runs from June 1, 1953, to May 31, 1954, with a wage reopening possible after 60 days' notice upon mutual agreement only. (Int'l Bro. Paper Makers, AFL; Pulp, Sulphite and Paper Mill Workers, AFL)
inette Paper Company .... arinette, Wis.	WE	$.04 hr.	1-5-53	554	A new contract granted increase varying from $.02 to $.05 with an average of $.04. Fringe benefits include improved waiting periods for nonoccupational accidents and sickness, and an increased surgical schedule of $200. Previous settlement became effective July 27, 1952. (Int'l Bro. Paper Makers, AFL; Pulp, Sulphite & Paper Mill Workers, AFL)
rint, Inc. .... hiladelphia, Pa.	WE	$.06 hr.	2-3-53	219	Raise granted upon expiration of old contract. New contract runs for 1 year. Previous average hourly rate was $1.615 effective February 3, 1952. (United Paper Workers, CIO)
oosa-Edwards Paper Company .. ekoosa, Port Edwards, Wis.	WE	$.08 hr.	6-1-53	1,529	Company granted raise upon expiration of old contract. Previous average hourly rate was $1.58 effective December 10, 1952. New contract runs from June 1, 1953 to May 31, 1954 and there is a provision for one wage reopening upon 30 days' notice. (IAM, AFL; Int'l Bro. Paper Makers, AFL; Pulp, Sulphite & Paper Mill Workers, AFL; Journeymen & Apprentices, Plumbing and Pipefitting, AFL)
	S	$21.75 mo.	6-15-53	376	Previous average monthly salary was $435 effective December 1, 1952. (No union)
many Pulp and Paper Company. aukauna, Wis.	WE	$.07 hr.	8-3-53	1,100	Increase granted after renewal of contract. Tenure of new contract is 1-year with a reopening possible on or after February 1, 1954. Previous average hourly wage was $1.60 effective January 5, 1953. (Int'l Bro. Paper Makers, AFL; Pulp, Sulphite & Paper Mill Workers, AFL)
d Conversion Company .... oquet, Minn.	WE	$.05 hr.	7-13-53	898	Wage reopening of a 2-year contract expiring July 15, 1954 brought increase. The shift differential was also increased from 0-4-8 to 0-5-10. Previous average hourly rates were $1.44 minimum and $1.95 maximum, effective January 13, 1953. (Pulp, Sulphite & Paper Mill Workers, AFL)
	S	$10 mo.	*n.a.*	250	(No union)
y Metal Industries					
minum Company of America .... enatchee, Wash.	WE	$.085 hr.	See Remarks	708	Total increase was $.085 with $.04 effective July 1, 1953 and $.045 July 13, 1953. Raise was the result of a wage reopening after the first year of a 5-year contract. Previous average hourly rate (straight time) was $1.96. Escalator clause provides for future reopenings. (Aluminum Trades Council, AFL)
e Forge, Inc. .... racuse, N. Y.	WE	$.05 hr.	2-19-53	125	Increase granted through wage reopening. Vacation increased to 3 weeks for employees with 15 years' service. Health and accident insurance provided for employees and families. Contract runs from February 27, 1952, to February 27, 1954, with provisions for another reopening August 1, 1953. (UE, ind.)

Wage Adjustments Announced Prior to August 15, 1953—Continued

Company	Type of Worker[1]	Increase: Average Amount	Increase: Date Effective	Increase: Approximate Number Affected	Remarks
Woodward Iron Company .... Birmingham, Ala.	WE	$.085 hr.	6-12-53	657	Wage reopening brought increase. Contract runs to Novemb 1954. (Steelworkers, CIO)
Printing, Publishing and Allied Industries					
Rochester Democrat and Chronicle.. Rochester, N. Y.	WE	$6.02 wk.	11-17-52	71	Raise brings average wage to $107.83 and replaces settlemen June, 1951. Tenure of new contract is 2 years with reope possible November 17, 1953. (Newspaper Guild, CIO)
Public Utilities					
Consolidated Edison Company of New York .... N. Y., N. Y.	WE	$.08 hr.	1-4-53	24,600	Expiration of contract brought raise and increased fringe ben The pension plan was liberalized to reduce optional early re ment requirements to at least age 50, when age and service t at least 80; joint and survivorship option was made avail under optional early retirement provision and widow's ben were provided. Contract runs for 1 year and replaces Jan 6, 1952 agreement when the average hourly rate was $1. (Utility Workers, CIO)
	S	See Remarks	See Remarks	See Remarks	Same as above for all nonmanagement employees. Numbe salaried employees included in 24,600. (Utility Workers, C
Consumers Power Company .... Jackson, Mich.	WE	$.10 hr.	3-1-53	4,729	Company granted raise upon expiration of old contract. Incre fringe benefits include holiday pay when holiday falls on Sa day, change in shift premium from 0-6-6 to 0-9-9, increas meal allowance and in amount in lieu of board and lodg New 1-year agreement replaces March 1, 1952 settlement w average hourly rate was $1.8977. (Utility Workers, CIO)
Portland Gas & Coke Company ..... Portland, Ore.	WE	$.08 hr.	See Remarks	545	Increase granted upon expiration of old contract. $.05 bec effective on January 1, 1953 and $.03 on April 1, 1953 f total of $.08. Waiting period for eligibility to membership u pension plan reduced from 3 years to 1; also entrance age membership reduced from age 30 to age 25. Contract run March 31, 1954 and replaces the previous settlement of Jan 1, 1952 when the average hourly rate was $1.90. (Chem Workers, AFL)
	S	$14 mo.	See Remarks	231	Total increase was $14; $9 effective January 1, 1953, and $5 April 1, 1953. Previous average salary was $314 per mo effective January 1, 1952. (Office Employees, AFL)
South Atlantic Gas Company .... Orlando, Fla.	WE	$.05 hr.	5-19-53	36	Wage reopening of a contract running to November 5, brought increase and agreed progression within rate ran Previous average hourly rate was $1.40 effective Novembe 1952. (Chemical Workers, AFL)
Virginia Electric & Power Company.. Richmond, Va.	WE	$.13 hr.	4-1-53	2,721	An 8% increase across the board on all classifications was gra upon expiration of old contract. Fringe benefits include all ance for difference in Workmen's Compensation pay and reg pay increases from 3 months to 12 months for injuries on job when not due to the employees' misconduct or violatio rules. Previous settlement was dated April 1, 1952, with average hourly rate of $1.62. Tenure of contract is 1 y (IBEW, AFL)
Retail Stores					
L. Bamberger & Company .... Newark, N. J.	WE	$.05 hr.	2-1-53	2,452	Increase granted after wage reopening of contract running January 31, 1954. Fringe benefits granted were 7 paid holid at vacation rate to all fully commissioned sales people over-time at time and one half for time spent in taking inv tory over and above normal work schedule. Previous ave hourly rate (excluding commission salespeople) was $ effective August 1, 1952. (Retail Clerks, AFL)
Frank & Seder of Pittsburgh, Inc. .... Pittsburgh, Pa.	WE	$.05 hr.	11-1-52	350	Wage reopening of contract running to November 1, 1953 brou increase. Previous agreement became effective Novembe 1951. (Retail Clerks, AFL; Retail, Wholesale & Departm Store Workers, CIO)
Gimbel Brothers .... Pittsburgh, Pa.	WE	$.05 hr.	11-1-52	1,500	Raise granted through wage reopening of contract expiring vember 1, 1953. Previous agreement became effective Nov ber 1, 1951. (Retail Clerks, AFL)

Company	Type of Worker[1]	Increase: Average Amount	Increase: Date Effective	Increase: Approximate Number Affected	Remarks
e Company ttsburgh, Pa.	WE	$.05 hr.	11-1-52	600	Increase granted through wage reopening of contract running to November 1, 1953. (Retail Clerks, AFL)
mann's ttsburgh, Pa.	S	$.05 hr.	11-1-52	391	Wage reopening of a contract running from November 1, 1950 to October 31, 1953. (Retail Clerks, AFL)
r Standards Association iladelphia, Pa.	S	See Remarks	3-1-53	600	Maids were granted a raise of $2 per week; elevator operators and porters, $2.50 per week upon expiration of contract. New contract runs for 1 year replacing agreement of March 1, 1952 when average weekly rate was $44. (Building Service Employees, AFL)
Clay and Glass Products					
tex Corporation amlin, Texas American Gypsum Division	WE	$.02 hr.	4-6-53	168	Raise granted through wage reopening of a 1-year contract which began on November 1, 1952. (Cement, Lime and Gypsum Workers, AFL)
	S	6%	12-52	*n.a.*	(No union)
s-Manville Corporation exandria, Ind.	WE	$.10 hr.	3-28-53	226	Expiration of contract which began March 24, 1952 brought increase. New agreement runs 1 year. (Insulation Workers, Federal Labor Union, AFL)
ouri Portland Cement Company . Louis, Mo.	WE	$.07 hr.	2-1-53	500	Increases, ranging from $.06 to $.09 with an average of $.07 were granted upon expiration of contract. The new 1-year contract also grants 3 weeks' vacation after 15 years' service. Previous average hourly rate was $1.657 effective February 1, 1952. (Cement, Lime & Gypsum Workers, AFL)
Mill Products					
low-Sanford Carpet Co., Inc. ompsonville, Conn.; Amsterdam, N. Y.	WE	See Remarks	6-1-53	4,205	No wage increase granted after expiration of contract. Last settlement dated from April 17, 1950. New contract will run 1 year. (Textile Workers, CIO)
	S	See Remarks	6-1-53	186	No wage increase granted. Starting in the summer of 1954, employees with 7 years' service will receive third week vacation. Last settlement was June 2, 1952. Agreement runs to June 1, 1954. (Textile Workers, CIO)
nese Corporation of America ock Hill, S. C.	WE	$.05 hr.	3-19-53	1,400	Increase granted upon expiration of old contract. Payment for holidays increased from double time to double time and one half. Previous average hourly rate was $1.54 effective November 11, 1951. Tenure of new contract is 1 year with a provision fot reopening after September 19, 1953. (Textile Workers, CIO)
umberland, Md.	WE	$.05 hr.	5-8-53	3,700	Wage reopening of a 2-year contract running from August 8, 1952 brought increase. Previous average hourly rate was $1.59 effective August 8, 1951. (Textile Workers, CIO)
earisburg, Va.	WE	$.05 hr.	3-10-53	2,200	A 2-year contract running from December 26, 1951 was reopened and increase resulted. Previous average hourly rate was $1.62. (Construction Workers, UMWA, ind.)
goleum-Nairn, Inc. earny, N. J.	WE	$.10 hr.	3-1-53	3,007	Firm granted raise after wage reopening of a contract which will continue until May, 1954. Previous average hourly wage was $1.577 effective December 17, 1951. There can be another reopening on November 1, 1953, if 60 days' notice is given. (Rubber Workers, CIO)
	S	See Remarks	3-1-53	391	Individual salary review with amount limited to a maximum of 6% of monthly salary. (No union)
rles Lachman Company, Inc. onkers, N. Y.	WE	$.05 hr.	7-1-53	230	Equal union-management representation granted for pension board. Tenure of contract is 2 years with reopening possible on July 1, 1954. Previous average hourly rate was $1.464 effective January 1, 1953. (Textile Workers, CIO)
co Manufactures					
wn & Williamson Tobacco Corporation etersburg, Va.	WE	$.075 hr.	4-1-53	1,450	Raise granted after reopening of a 2-year contract. Also included were increased hospital benefits to $7.50 per day and surgical fee up to $225. (Tobacco Workers, AFL)

Wage Adjustments Announced Prior to August 15, 1953—Continued

Company	Type of Worker[1]	Increase: Average Amount	Increase: Date Effective	Increase: Approximate Number Affected	Remarks
Peter Hauptmann Tobacco Company St. Louis, Mo.	WE	$.125 hr.	2-12-53	34	Expiration of contract brought wage raise and increased fringe benefits. Armistice Day added; employees having 20 years' service in 1953, 19 in 1954, 18 in 1955, 17 in 1956, 15 in 1957 will be given 3 weeks' vacation. 7% of gross pay to Unity Welfare Association to commence February 12, 1957. Cost-of-living adjustments to be made at specified dates. Five-year contract may be reopened February, 1955. (Teamsters, AFL)
Transportation					
Allied Aviation Service N. Y., N. Y.	WE	$.11 hr.	4-1-53	320	Increase granted after wage reopening of a contract which will run to May 31, 1954. Last agreement became effective January 1, 1952. (Transportation Workers, CIO)
New York Shipping Association N. Y. & Vicinity	WE	$.62 day	10-1-52	*n.a.*	Wage reopening of a contract running from October 1, 1952 to September 30, 1954 granted increase and fringe benefits. The new wage scale is now from $11.18 to $12.48 for an 8-hour day as compared to the previous scale of from $10.22 to $11.52. The number of work hours needed for eligibility in the welfare plan and for vacations was lowered. This will add $.05 to fringe costs for the companies. Contract runs from October 1, 1952, to September 30, 1954 with reopening possible after August 1, 1953. If changed, contract to be effective October 1, 1953. (Watchmen's Union, Ind.)
Transportation Equipment					
Ford Motor Company Interstate	WE	See Remarks	5-25-53	140,000	Based on the amendments of May 25, 1953 to the agreement of September 4, 1950, $.19 of the $.24 cost-of-living allowance was transferred to the base rates. Future adjustments to the remaining $.05 allowance will be based on the "New" rather than the "Old" BLS Consumer Price Index. $.10 an hour increase was granted to all skilled workers except pattern-makers and diesinkers who received an increase of $.20 per hour. Annual improvement factor was increased from $.04 to $.05. The monthly maximum pension, including the primary Social Security benefit, for a retiree at age 65 with 30 years of credited service was increased from $125 to $137.50. Employees who retire before their next vacation eligibility date now receive one twelfth of their next vacation pay for each full month they have been on the active employment rolls since their previous eligibility date. Retired employees may participate in the hospitalization and surgical insurance plan (group basis). The entire cost will be borne by retirees. Employees in California plants may subscribe to the Permanente Hospital and Medical Care Plans. (UAW, CIO)
	S	See Remarks	*n.a.*	*n.a.*	A 3% annual improvement factor increase for employees receiving base salaries of $809 per month or less with a minimum adjustment of $8.66 per month. Employees whose monthly base salaries were less than $708.75 before the 3% improvement factor adjustment, had $44 transferred from the former cost-of-living allowance to monthly base salaries. The cost-of-living allowance per quarter annual now stands at $26. Retirement benefit increase same as wage earners. Employees may join Blue Cross and Blue Shield at group rates. (No union)
Todd-Johnson Dry Docks, Inc. New Orleans, La.	WE	$.13 hr.	3-3-53	1,200	A new 2-year contract granted increase, 3 paid holidays and a more liberal vacation period. Contract can be reopened after February 28, 1954. (Marine & Shipbuilding Workers, CIO)
	S	7.5%	12-1-52	200	(No union)
Miscellaneous					
Columbia Broadcasting System Hollywood, Cal.	S	See Remarks	3-1-53	270	Increases vary depending upon job classification, amounting to approximately 7% for a 2-year period. New contract expires April 30, 1955. (Office Employees, AFL)
Lamson & Sessions Company Cleveland, Ohio	WE	$.075 hr.	1-16-53	1,500	New 1-year contract granted increase. Vacation eligibility is now 3 weeks for 15 years or more on the payroll, 2 weeks for over 5 years and 1 week for over 1 year. (UAW, CIO)
McKesson & Robbins, Inc. Newark, N. J.	WE	$3 wk.	10-1-52	73	New contract which will run for 2 years granted increase. A wage reopening will be possible after October 1, 1953. (Office Employees, AFL)

[1] WE, wage earner; S, salaried employee.
n.a., not available.